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***The Evolution of the CIA's Covert Action Mission, 1947-1963***

**Ph.D. Thesis by James D. Callanan**

**Year of Submission, 1999**

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**18 OCT 2000**

*The Evolution of the CIA's Covert Action Mission, 1947-1963*

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*Abstract*

The core contentions and departures of this study are that: (1) a three way delineation distinguished the basic types of operation that the CIA performed, between defensive, offensive, and preventive covert action; (2) the agency and its forerunner organisations anticipated government policy and initiated small-scale political clandestine operations during 1946 and 1947, ahead of being given official sanction for such activities; (3) the CIA's operations directorate played a more significant role as an instrument of wider strategic objectives, most notably during the Eisenhower years, than has hitherto been suggested; and (4) domestic politics had a strong impact on the development and deployment of CIA covert action, especially during the McCarthy era. Only by taking these factors into account can the early evolution of the CIA's operations directorate be fully understood.

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## LIST OF ABBREVIATIONS

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ACP	Albanian Communist Party
ADDP	Assistant Deputy Director of Plans
ADPC	Assistant Director of Policy Coordination
AEC	Atomic Energy Commission
AFL	American Federation of Labor
AID	Agency for International Development
AIOC	Anglo-Iranian Oil Company
Aramco	Arabian American Oil Company
CAT	Civil Air Transport
CEF	Cuban Expeditionary Force
CENTO	Central Treaty Organisation
CFR	Council on Foreign Relations
CGIL	<i>Confederazione Generale Italiana del Lavoro</i>
CIA	Central Intelligence Agency
CIC	Counter Intelligence Corps of the Army
CIG	Central Intelligence Group
CIO	Congress of Industrial Organisations
CTV	Confederation of Venezuelan Workers
DC	Christian Democratic Party (Italy)
DCI	Director of Central Intelligence
DDA	Deputy Directorate for Administration Deputy Director of Administration
DDCI	Deputy Director of Central Intelligence
DDI	Deputy Directorate for Intelligence Deputy Director of Intelligence
DDP	Deputy Directorate for Plans Deputy Director of Plans
DDS&T	Deputy Directorate for Science and Technology Deputy Director of Science and Technology
DP	Displaced Person
DPD	Development Projects Division
DSB	Department of State Bulletin
ECA	Economic Cooperation Administration
EDES	Greek Democratic League
ELINT	electronic intelligence
ERP	European recovery Program or Marshall Plan
FBI	Federal Bureau of Investigation
FRD	<i>Frente Revolucionario Democrático</i> (Cuban exile movement)
FRUS	Papers Relating to the Foreign Relations of the United States
FTUC	Free Trade Union Committee

GOP	Grand Old Party (Republican Party)
GRU	Soviet Military Intelligence
HUAC	House Committee on Un-American Activities
HUMINT	intelligence derived from human sources
IALC	Italian-American Labor Council
IBRD	International Bank of Reconstruction and Development
ICBM	intercontinental ballistic missile
ILGWU	International Ladies Garment Workers Union
INR	State Department Bureau of Intelligence and Research
IRBM	intermediate-range ballistic missile
IRCA	International Railways of Central America
JCS	Joint Chiefs of Staff
KGB	Soviet Committee of State Security (internal security/foreign intelligence)
KKE	Greek Communist Party
MGB	Soviet Ministry of State Security (predecessor to KGB)
MI5	British Security Service
MI6/SIS	British Secret Intelligence Service
M-26-7	26th of July Movement (Cuba)
NATO	North Atlantic Treaty Organisation
NCR	National Cash Register
NIA	National Intelligence Authority
NIE	National Intelligence Estimate
NIPE	National Intelligence Programs Evaluation
NKVD	People's Commissariat for Internal Affairs (predecessor to KGB)
NSA	National Security Agency
NSAM	National Security Action Memorandum
NSC	National Security Council
NSCID	National Security Council Intelligence Directive
NTS	National Labour Alliance (Russia)
OAS	Organisation of American States
OCB	Operations Coordinating Board
OCI	Overseas Consultants Incorporated
ONE	Office of National Estimates
OPC	Office of Policy Coordination
ORE	Office of Research and Evaluation
OSO	Office of Special Operations
OSS	Office of Strategic Services
OUN	Organisation of Ukrainian Nationalists
PAR	Party of Revolutionary Action (Guatemala)
PBCFIA	President's Board of Consultants on Foreign Intelligence Activities
PBFIA	President's Foreign Intelligence Advisory Board
PCF	French Communist Party
PCI	Italian Communist Party

PERMESTA	Charter of Inclusive Struggle (Indonesia)
PGT	Guatemalan Communist Party
PKI	Indonesian Communist Party
PLA	People's Liberation Army (China)
PLI	Italian Liberal Party
PPS	Policy Planning Staff
PRC	People's Republic of China
PSB	Psychological Strategy Board
PSI	Italian Socialist Party
PSIUP	Italian Socialist Party of Proletarian Unity
PSLI	Italian Socialist Labour Party (Social Democrats)
PSP	Cuban Communist Party
RFE	Radio Free Europe
SAC	United States Air Force, Strategic Air Command
SANACC	State-Army-Navy Coordinating Committee
SEATO	Southeast Asia Treaty Organisation
SIGINT	signals intelligence
SOE	British Special Operations Executive
SPG	Special Procedures Group
SSU	Strategic Services Unit
SWNCC	State-War-Navy Coordinating Committee
UFCO	United Fruit Company
UN	United Nations
UNRRA	United Nations Relief and Rehabilitation Administration
USIA	United States Information Agency
WEU	Western European Union
WiN	Freedom and Independence Movement (Poland)
X2	Counterintelligence Branch (OSS)

## INTRODUCTION

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On 4 May 1948 the American State Department's Policy Planning Staff (PPS) declared "it would seem that the time is now fully ripe for the creation of a political warfare operations directorate within the Government."<sup>1</sup> The United States had in fact engaged in limited though resolute action of the kind suggested for several months prior to this point in support of the economic measures introduced by the Truman administration to help rebuild a war-torn Western Europe. The PPS recommendation was, nevertheless, a clarion call for Washington to mount a full-scale clandestine crusade that was to continue for a further forty years and was targeted primarily, though not exclusively, on the communist world in general and on the interests of the Soviet Union in particular. The principal organ through which the United States conducted this secret war was the Central Intelligence Agency (CIA). It is the aim of this study to examine how this organisation's covert action mission was deployed as an instrument of American foreign and defence policy from the formative period of the Cold War through to the Vietnam War.

\* \* \* \* \*

## BACKGROUND

"Covert action" is an American term that came into use after World War II and was defined by the Senate Select Committee on Intelligence Activities as "any clandestine operation or activity designed to influence foreign governments, organisations, persons, or events in support of American foreign policy."<sup>2</sup> This provides only a very

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<sup>1</sup>Policy Planning Staff Memorandum, 4 May 1948, *Foreign Relations of the United States, 1945-1950: Emergence of the Intelligence Establishment*: 671, (Washington D.C., 1996) – hereafter cited as FRUS.

<sup>2</sup>Roy Godson, *Dirty Tricks or Trump Cards: U.S. Covert Action and Counterintelligence* (Washington and London, 1995), pp.2-3; *Foreign and Military Intelligence – Book 1*. Final Report of the Select Committee to Study Governmental Operations with Respect to Intelligence Activities. United States Senate together with Additional, Supplemental, and Separate Views. *Senate Report*, 94th Congress, 2 session, Report No. 94-755, April 26 (legislative day April 14), 1976 (Washington D.C., 1976), p.141 (hereafter cited as Church Report).

CIA's operations directorate, the mission of which is more accurately described as having encompassed four basic, often interconnecting categories: (1) propaganda and psychological warfare; (2) political operations such as supporting democratic parties and labour unions in friendly countries; (3) economic operations; and (4) paramilitary action, which includes counterinsurgency and assassination programmes.<sup>3</sup>

The demand for the agency to perform such functions first manifested itself in late 1947, when the Special Procedures Group (SPG) was assembled hurriedly within the CIA to counter the political challenge posed by the Italian communist-socialist Popular Front in the run-up to that country's elections in April 1948. Though the SPG's campaign proved successful, responsibility for American covert action was subsequently placed under the control of an entirely new and anomalous instrumentality – the Office of Policy Coordination (OPC).<sup>4</sup> Established on 1 September 1948 and attached to the CIA only for the distribution of "quarters and rations," the OPC functioned as an autonomous entity. It drew on the personnel and support of the wider Washington bureaucracy in the execution of its mission, and its director, Frank G. Wisner, was a State Department appointee.<sup>5</sup>

Escalating superpower tensions and the Korean War provided the impetus for an enormous growth in the OPC's budget and resources over the next three years.<sup>6</sup> Continual conflict between Wisner's organisation and the CIA's intelligence gathering component, the Office of Special Operations (OSO), however, led the OPC to be fully integrated into the agency and merged with the OSO. This process was completed in August 1952 with the creation of the Deputy Directorate for Plans (DDP), which remained responsible for espionage, counterintelligence, and covert action throughout the Eisenhower and Kennedy presidencies.<sup>7</sup>

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<sup>3</sup>Loch K. Johnson, *America's Secret Power: The CIA in a Democratic Society* (New York, 1989), pp.22-27.

<sup>4</sup>Office of Special Operations Directive No.18/5 (Interim), *FRUS: Intelligence Establishment, 1945-50*: 653: 724-725.

<sup>5</sup>Michael J. Warner (ed.), *CIA Cold War Records: The CIA Under Harry Truman* (Washington D.C., 1994), pp.235-243.

<sup>6</sup>Ludwell Lee Montague (with an introduction by Bruce D. Berkowitz and Allan E. Goodman), *General Valter Bedell Smith as Director of Central Intelligence, October 1950- February 1953* (University Park, Pennsylvania, 1992), p.208; *Church Report*, Bk.1, p.51.  
<sup>7</sup>*ibid*, pp.107-108.

(DDP), which remained responsible for espionage, counterintelligence, and covert action throughout the Eisenhower and Kennedy presidencies.<sup>7</sup>

The rationale and justification for OPC/DDP covert action was clearly defined. The Soviet Union was seen as an expansionist power with designs on global domination, and Washington assumed the right to intervene with whatever measures were necessary to contain the threat and protect American strategic, political, or economic interests whenever they were deemed to be in jeopardy. The Cold War was, moreover, as much about perceptions as reality. In this context, it was imperative for the United States to not only secure and retain the upper hand against the Soviet Union, but also to be *seen* to do so. In many instances covert action provided the most appropriate means for the achievement of this goal.

Clandestine operations were, moreover, justified by Washington on the grounds that the Soviet Union had developed, refined, and continued to deploy the most effective political and covert warfare capacity in history.<sup>8</sup> It was therefore incumbent on the United States to fight fire with fire. This atmosphere was conducive to the expansion of covert action, which was essentially a political instrument of containment: a "third" or "silent" option that went beyond traditional diplomacy but fell short of precipitating war and the nuclear conflagration such an outcome implied.<sup>9</sup> The DDP's mission thus evolved into a multifaceted, widely dispersed one, which reached an all-time high in terms of the volume of operations undertaken during the mid 1960s, when the agency was called upon to mount a major clandestine action campaign in support of the overall effort in Vietnam.

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## DEPARTURES

The emergence of the CIA as a key instrument of government led Sherman Kent, the head of the agency's Board of National Estimates, to maintain in 1955 that, though intelligence had evolved into "an exciting and highly skilled profession" and more importantly a discipline, it lacked a literature. While this remained the case, he added,

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<sup>7</sup>*ibid*, pp.107-108.

<sup>8</sup>PPS Memo, 4 May 1948, *FRUS: Intelligence Establishment, 1945-50*: 669.

<sup>9</sup>Johnson, *America's Secret Power*, p.17.

the method, vocabulary, body of doctrine, and fundamental theory that governed and informed the CIA's increasingly diverse mission ran the risk of never reaching full maturity.<sup>10</sup> Kent's concerns were addressed originally to the intelligence professionals who were privy to the pages of the CIA's internal journal, *Studies in Intelligence*. Over the past twenty-five years and especially the last decade, however, a great deal of information that was once the preserve of the intelligence community has entered the public domain, and has enabled those outside of that exclusive world to attempt to respond to Kent's call.

While in the sphere of intelligence collection and evaluation his challenge has largely been met, the "rigorous definition of terms" that he deemed to be essential if the significance of the CIA's accomplishments and its failures were to be properly measured, has been less than comprehensive in the field of clandestine operations.<sup>11</sup> The received wisdom in this respect is best exemplified by Roy Godson. In characterising CIA covert action as a "double-edged sword" aimed at meeting the two goals of "containing the spread of Communism in the non-Communist world" and of "weakening Communist regimes on their own terrain," Godson identifies a two-way division of the OPC/DDP's mission between defensive and offensive operations. Similar approaches are, moreover, taken by other theorists, though it should be stressed that none spell out the distinction directly as being between 'offensive' and 'defensive' ventures.<sup>12</sup>

Instructive as these treatments are, they fall short of meeting Kent's criteria. In serving Washington's policy objectives, the CIA engaged in not two but three basic types of clandestine operation, each of which called on the agency to utilise the full roster of resources and techniques at its disposal. The first of these was *defensive covert action*, which was aimed at countering communist efforts to attack or undermine governments and societies that were allied to the United States. The bolstering of anticommunist

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<sup>10</sup>Sherman Kent quoted in H. Bradford Westerfield (ed.), *Inside the CIA's Private World: Declassified Articles from the Agency's Internal Journal, 1952-1992* (Washington D.C., 1995), xiii.

<sup>11</sup>*ibid.*

<sup>12</sup>Godson, *Dirty Tricks or Trump Cards*, pp.36-37; B. Hugh Tovar, "Strengths and Weaknesses in Past Covert Action," in Roy Godson, (ed.), *Elements in Intelligence* (Washington D.C., 1981), pp.71-89; Michael McClintock, *Instruments of Statecraft: US Guerrilla Warfare, Counterinsurgency, and Counter-Terrorism, 1940-1990* (New York, 1992), pp.3-298; Johnson, *America's Secret Power*, pp.101-102, pp.251-260.

political parties in Western Europe from the late 1940s onwards is an example of this type of action, as is the paramilitary and psychological warfare campaign through which the agency helped to defeat the communist insurgency in the Philippines between 1950 and 1953.

The converse and second mode of operation was *offensive covert action*. This was focused on destabilising, and in the more extreme cases removing, communist regimes that lay within, or in the case of Cuba were allied to, the Sino-Soviet bloc. That such measures first came into force between 1948 and 1953, calls into question the claim made by Truman after he had left office, that in first establishing the CIA he did not envisage it as engaging in operations such as that which was mounted against Castro at the Bay of Pigs.<sup>13</sup> Indeed, NSC 68, the top secret fundamental reappraisal of American foreign and defence policy issued by the Truman administration in April 1950, called specifically for the covert subversion of communist regimes.<sup>14</sup> This directive came into force on the eve of the Korean War. Thus, the clandestine offensives mounted in Eastern Europe, Korea, and China as a result were, given that the Truman administration believed that it faced a Soviet-controlled communist monolith, in effect sanctioned under wartime conditions. OPC offensive paramilitary operations had, nevertheless, been authorised by Washington prior to this point: against the Ukraine, the Baltic States, Poland, and Albania during 1948 and 1949.<sup>15</sup> Offensive covert action was, however, deployed most extensively by the Kennedy administration against Fidel Castro's Cuba and later as a complement to the wider war effort in Vietnam.

The third category of operation is best described as *preventive covert action*. Aimed at impeding and where possible neutralising the potential for Moscow to extend its control to developing countries that were aligned with neither superpower, enterprises of this kind came to prominence as a consequence of three basic factors. Prime among

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<sup>13</sup>Merle Miller, *Plain Speaking: Conversations with Harry S. Truman: An Oral Biography of Harry S. Truman* (London, 1974), pp.391-392.

<sup>14</sup>NSC 68, United States Objectives and Programs for National Security, 14 April 1950, *FRUS 1950*, Vol.1: 235-292.

<sup>15</sup>Harry Rositzke, "America's Secret Operations: A Perspective," *Foreign Affairs* 53 (1974-1975): 334-351, at 335-336; John Prados, *Presidents' Secret Wars: CIA and Pentagon Covert Operations from World War II Through the Persian Gulf* (first published Chicago, 1986, revised and updated edition, 1996), pp.30-61; Hersh, *The Old Boys*, pp.171-282.

these was the geographical expansion of the Cold War from the Far East to the third world, which resulted from Stalin's death in March 1953 and the succession of a new Russian leadership that sought to advance Soviet influence in the developing world after the termination of hostilities in Korea.

If the need for the United States to respond to this challenge brought preventive covert action to the fore, then so too did Eisenhower's accession to the presidency. Though Truman had been prepared to authorise offensive measures against existing communist regimes, he wavered when it came to sanctioning action against democratically-elected governments. He did, it is true, approve Operation FORTUNE, a project aimed at unseating Jacobo Arbenz Guzman's regime in Guatemala during 1952, but caved in quickly to pressure from his Secretary of State Dean Acheson and cancelled the enterprise before it got past its planning stages.<sup>16</sup> Eisenhower was, by contrast, less cautious in his calculation of risk and less concerned about ethical implications when considering and authorising covert operations than his predecessor had been, as Operation TPAJAX, which brought about the removal of the Iranian Prime Minister, Muhammad Musaddiq from power in August 1953, illustrates.<sup>17</sup> There was, as well, the point that Eisenhower's long and unique military career caused him to be well-disposed towards the frequent deployment of the DDP.<sup>18</sup>

What none of the literature dealing with the agency stresses, however, is the extent to which wider strategic imperatives were key to Eisenhower's management of clandestine operations. John Lewis Gaddis has pointed out that Eisenhower's foreign and defence policy, the New Look, hinged on the United States making asymmetrical responses. This, in brief, meant that Washington would respond to aggression emanating from what continued to be portrayed as a Soviet-controlled monolith, by applying western strengths against communist weaknesses, to the extent of changing

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<sup>16</sup>Nicholas Cullather, *Operation PBSUCCESS: The United States and Guatemala, 1952-1954*, CIA in-house history declassified 1997 and available for consultation at Modern Military Branch of the National Archives, Washington D.C. (hereafter cited as NA), pp.17-20.

<sup>17</sup>Kermit Roosevelt, *Countercoup: The Struggle for the Control of Iran* (New York, 1979); Mark Gasiorowski, "The 1953 Coup D'État in Iran," *International Journal of Middle East Studies*, 19(1987): 261-286.

<sup>18</sup>Stephen E. Ambrose, *Ike's Spies: Eisenhower and the Espionage Establishment* (New York, 1981).

the nature and shifting the location of the confrontation.<sup>19</sup> Thus, rather than countering an attack by the Red Army on Turkey with conventional military means on Turkish soil, for example, the United States would, at least in theory, respond by launching a nuclear attack on the Baku oil fields: the reasoning being that while the Soviet Union enjoyed an advantage over the United States in terms of land-based conventional military strength, America's airpower and nuclear capabilities were vastly superior to their Russian counterparts.

When looked at in the context of the asymmetry that was central to the New Look, Eisenhower's deployment of covert action takes on an entirely new complexion. The Iran coup, for example, was launched at a time when the Soviets were preoccupied with suppressing riots which began in the Russian sector of Berlin and spread across East Germany, and while a power struggle ensued in the Kremlin following Stalin's death. Likewise, Operation PBSUCCESS, through which the CIA brought about the removal of a Guatemalan government that was led by Arbenz and depicted by Eisenhower as Marxist, took place at the same time as the 1954 Geneva Conference on Indochina. Looked at from an asymmetrical perspective, then, PBSUCCESS was a counterattack, which drew attention away from the fact that the West had suffered a major ideological setback with the defeat of the French at Dien Bien Phu, the partition of Indochina, and the creation of a communist regime in North Vietnam.

The third major catalyst to influence the rise to prominence of preventive clandestine operations, and indeed covert action generally, between 1953 and 1961 related to organisational changes inside of the CIA itself. In essence, Eisenhower had a more efficiently-organised agency at his disposal than had Truman, for it was not until 1953 that the CIA "achieved the basic structure and scale which it retained for the next twenty years."<sup>20</sup> The appointment of Allen W. Dulles as Director of Central Intelligence (DCI) during the same year, moreover, brought the CIA under the leadership of a man who was a more vociferous advocate of clandestine operations than were any of his four predecessors.

The first civilian DCI, Dulles sought to utilise covert action in a manner that would bring fast, relatively cheap, and desirable outcomes to pressing foreign policy issues

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<sup>19</sup>John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of American National Security Policy* (New York, 1982), pp.147-153.

<sup>20</sup>*Church Report*, Bk.1, p.109.

and so establish a strong reputation for the CIA within the Washington bureaucracy. In pursuit of this approach, Dulles refocused the DDP's efforts away from offensive operations against the Soviet bloc, which had proved largely fruitless, and towards preventive ventures in the third world, where he and his colleagues believed that successes could be more easily achieved. As the brother of Eisenhower's Secretary of State, John Foster Dulles, moreover, the DCI had unprecedented access to a president who, as has been mentioned, was already convinced of the efficacy of covert action as a consequence of his military experience. Taken together, these factors enabled Allen Dulles to short-circuit authorisation procedures, which in turn helped to create an internal dynamic inside of the DDP for the development of clandestine action programmes.<sup>21</sup>

The proliferation of covert operations that resulted secured fast, dramatic 'victories' for the agency, for example, in Iran in 1953 and Guatemala in 1954, which proved instrumental in establishing the Eisenhower years as "the golden age" of operations. The downside was that such 'successes,' provided only temporary solutions to complex problems that had a habit of rebounding on the United States over the longer term, as was the case with the rise of Ayatollah Ruholla Khomeini twenty-five years after the ouster of Musaddiq. Enterprises such as TPAJAX and PBSUCCESS also served to forewarn future targets of the agency of the potential for similar action to be attempted in their countries.<sup>22</sup> Thus, when the DDP deployed the Guatemala model in Indonesia during 1958, and again in Cuba at the Bay of Pigs in 1961, the results were entirely negative.

The failure of the Bay of Pigs operation – code-named JMARC – was a defining moment in the CIA's history and debate over whether this debacle was the fault of the agency or its political masters still continues.<sup>23</sup> The key point, however, is that neither

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<sup>21</sup>Wayne G. Jackson, *Allen Welsh Dulles as Director of Central Intelligence, 26 February 1953- 29 November 1961*, Volume 3, declassified 1994 and available at the Modern Military Branch, NA.

<sup>22</sup>Quote from Rhodri Jeffreys-Jones, *The CIA and American Democracy* (New Haven and London, 1989), p.82.

<sup>23</sup>This enterprise became known publicly by its Pentagon code-name of Operation ZAPATA, but as is pointed out in Evan Thomas, *The Very Best Men: Four Who Dared: The Early Years of the CIA* (New York, London, Toronto, Sydney, Tokyo, and Singapore, 1995), p.241, and Cullather, *Operation PBSUCCESS* p.84, its agency cryptograph was JMARC. It is suggested in the introduction to a volume of still more recently declassified documents on the Bay of Pigs that the CIA code-named the operation

the White House nor the CIA learned from the mistakes of the Bay of Pigs. Consequently, Kennedy continued to deploy covert action in the hope of removing the Castro regime from power, when the only feasible options open to the American president were to either accept the existence of a communist state 90 miles from the American mainland, or mount a full-scale military invasion of Cuba to eradicate the threat. More than any other target of the CIA's attentions, then, it was Cuba that best defined the limits of what could and, more pertinently, what could not be achieved with covert operations.

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If the three way distinction that separated the basic types of CIA covert action has not been fully explored in existing studies, neither has the tendency for the agency to anticipate government policy and initiate operations ahead of being given official sanction for such moves. This is not to say that the CIA acted routinely as a rogue elephant, but there are several examples of its having second-guessed Washington's medium to longer-term intentions and requirements and acted accordingly.<sup>24</sup>

Trevor Barnes, for instance, uncovered evidence that the Central Intelligence Group (CIG) – the predecessor to the CIA – conducted small-scale political operations in Western Europe before the passing of the National Security Act in July 1947, which included a clause that signalled official approval had been given for covert action to be brought within the agency's mission.<sup>25</sup> Timothy J. Naftali's study of American intelligence efforts in Italy from the final stages of World War II through to the beginning of the Cold War lends further credibility to this picture.<sup>26</sup> The synthesis of these and other relevant works, combined with the scrutiny of new evidence which has

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JMATE, while the Pentagon labelled it BUMPY ROAD, see Peter Kornbluh (ed.), *Bay of Pigs Declassified: The Secret CIA Report on the Invasion of Cuba* (New York, 1998), p.11. For the purposes of this study, however, the enterprise will be referred to as JMARC.

<sup>24</sup>For an analysis of the rogue elephant charges see Jeffreys-Jones, *CIA and American Democracy*, p.208, p.214-215.

<sup>25</sup>Trevor Barnes, "The Secret Cold War: The CIA and American Foreign Policy in Europe 1946-1956," (part 1), *Historical Journal* 24 (1981): 399-415, at 405.

<sup>26</sup>Timothy J. Naftali, "ARTIFICE: James Jesus Angleton and X-2 Operations in Italy," in George C. Chalou (ed.), *The Secret War: The Office of Strategic Services in World War II* (Washington D.C., 1992), pp.218-245.

come to light through the declassification of CIA and State Department records supports a key tenet of this study:<sup>27</sup> the proposition that American intelligence operatives in Western Europe were alert to the scale of the challenge posed by communism before their political masters and worked continuously to counter the threat between 1945 and 1947. Such moves enhanced the agency's capacity to engage in larger-scale defensive covert action when Washington gave official approval for its deployment ahead of the Italian elections of April 1948.

A similar anticipatory tendency held true in respect of offensive operations. The SPG drew up plans to penetrate the eastern bloc utilising psychological warfare techniques and radio propaganda before Washington created the OPC and gave official blessing for the United States to go onto the offensive against the Iron Curtain.<sup>28</sup> The agency was also ahead of the game in the case of preventive clandestine action, which came to prominence between 1953 and 1961, but which was first deployed to remove King Farouk of Egypt in July 1952:<sup>29</sup> before the shift in focus of the Cold War to the third world and the accession of Eisenhower to the presidency.

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The impact of domestic politics on the development of the CIA's operations directorate is yet another area that has hitherto lacked comprehensive examination but which, again, is crucial to understanding the considerations that informed successive administrations in their deployment of the OPC/DDP. Senator Joseph McCarthy's anticommunist crusade of the early 1950s, for example, was a key catalyst in leading Washington to sanction the enormous expansion of the OPC's operational parameters that took place during the Korean War.

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<sup>27</sup>Barnes, "The Secret Cold War," 399-415; Naftali, "ARTIFICE," pp.218-245; Ian Sayer and Douglas Botting, *America's Secret Army: the Untold Story of the Counterintelligence Corps* (New York and Toronto, 1989); *FRUS: Intelligence Establishment, 1945-50*; Warner, *CIA Cold War Records*.

<sup>28</sup>Memo from DCI Hillenkoetter to Chief of Naval Operations, Denfield, 18 June 1948, *FRUS: Intelligence Community 1945-50*: 715; Memo from Commander Robert Jay Williams to Chief of SPG (Cassady), 23 July 1948, *ibid*: 718.

<sup>29</sup>Miles Copeland, *The Game Player: Confessions of the CIA's Original Political Operative* (London, 1989), pp.158-171; Christopher Simpson, *Blowback: America's Recruitment of Nazis and Its Effects on the Cold War* (New York, 1988), pp.250-252; Burton Hersh, *The Old Boys: The American Elite and the Origins of the CIA* (New York, 1992), pp.331-332.

In brief, McCarthy's efforts precluded Truman from seeking a negotiated settlement with Beijing to end the hostilities in Korea. For the president to have pursued such a course would have invited charges of treachery and caused further damage to a Democratic party that was already on the defensive as a result of McCarthy's campaign. The Korean conflict consequently became something of a stalemate by mid 1951, with the protagonists confronting each other on or around the thirty-eighth parallel. Under such conditions, CIA clandestine action offered a possible means of breaking the deadlock to the advantage of the United States without the adoption of a policy of full-scale rollback, which Truman regarded as carrying unacceptable risks since it greatly increased the prospect of a third world war. Thus came the increase of resources and latitude afforded to the OPC from mid 1951 onwards.<sup>30</sup>

The McCarthyite witch-hunt also influenced Eisenhower's utilisation of the CIA. The Guatemala coup was, for instance, timed to coincide with a campaign that the president mounted, using what Fred I. Greenstein describes as "hidden hand" tactics, to expose the serious defects in the Wisconsin senator's character.<sup>31</sup> Operation PBSUCCESS demonstrated to political insiders, the press, and the informed public that while McCarthy was busy making bogus and groundless claims against the United States Army, Eisenhower was focused on the real job of combating communism. This in turn assisted the president in his drive to seriously undermine the senator and thereby unite the Republican Party in advance of the 1954 congressional elections.

Kennedy too was alert to domestic considerations when authorising covert action. The strident anti-Castro rhetoric that became a feature of Kennedy's 1960 election campaign was a major factor in influencing him to approve the Bay of Pigs operation. The president was in fact never entirely convinced of the feasibility of this venture, though it should be stressed that he was not aware of how fundamentally flawed it actually was. To have cancelled the enterprise, however, would have attracted Republican charges of back-peddalling and hypocrisy after Kennedy's hawkish

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<sup>30</sup>Church Report, Bk. 1, p.23; Montague, *Smith-DCI*, p.208; Richard Crockatt, *The Fifty Years War: The United States and the Soviet Union in World Politics* (London and New York, 1995), pp.94-95.

<sup>31</sup>Fred I. Greenstein, *The Hidden Hand Presidency: Eisenhower as Leader* (New York, 1982), for political strategies see pp.57-99, application of strategies to combat McCarthy, pp.155-227. For a shorter appraisal of the 'hidden hand' strategy see Fred I. Greenstein, "Dwight D. Eisenhower: Leadership Theorist in the White House," in Fred I. Greenstein (ed.), *Leadership in the Modern Presidency* (Cambridge, Mass, and London, 1988), pp.92-93.

campaign pronouncements, and this consideration went a considerable way towards influencing him to authorise JMARC.

To recap, then, the core contentions and departures of this study are that: (1) a three way delineation distinguished the basic types of operation that the CIA performed from 1947 to 1963; (2) the agency at times set projects in motion ahead official authorisation being granted for such activities, but on balance this tendency proved to be more positive than negative for the advancement of American interests; (3) the CIA played a more significant role as an instrument of wider strategic objectives, most notably during the Eisenhower years, than has hitherto been suggested; and (4) domestic politics had a strong impact on the development and deployment of the OPC/DDP, especially during the McCarthy era. Only by taking these factors into account can the early evolution of the CIA's operations directorate be fully understood.

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**FORMAT**

With regard to format, this study has taken a chronological approach. The Truman administration is looked at through the window of the Italian campaign of 1947 and 1948, which was the CIA's first official covert operation, and Operation BGFIEND, which was authorised in 1949, directed against Enver Hoxha's communist regime in Albania, and was the first major offensive clandestine action venture that the agency undertook. The Eisenhower administration is assessed through three case studies, each of which stand as seminal examples of Washington's use of preventive covert action during this period: the removal of Musaddiq in 1953, the first democratically-elected leader to be overthrown through CIA action; the ouster of President Arbenz of Guatemala in 1954, the high-water-mark of CIA covert action and the model for the DDP's subsequent large-scale projects; and the failed effort to depose Indonesian premier Achmed Sukarno in 1958, the implicit warnings of which signalled the potential for failure in Cuba three years later. The Kennedy administration is viewed through the anti-Castro campaigns mounted between 1961 and 1963, notably Operations JMARC and MONGOOSE, as well as parallel enterprises such as the plan to assassinate the Dominican Republic's right-wing dictator Rafael Trujillo, and the defensive campaign launched to thwart a leftist insurgency in Venezuela from 1962 to 1964.

Other operations are examined briefly as need demands. The assassination of the Congo's Patrice Lumumba is, for example, focused on in order to demonstrate the difficulties of mounting covert operations during presidential interregnums. The defensive and offensive projects conducted by the agency in Korea and in Indochina during the early years of the Vietnam War are, on the other hand, looked at in the context of how clandestine action was designed to mesh with wider war aims.

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## HISTORIOGRAPHY

Disillusionment with the conduct of the Vietnam War was the primary catalyst for several former CIA officers to abandon their oath of silence in the 1970s and publish accounts of the agency's clandestine operations.<sup>32</sup> Along with earlier works, notably *The Invisible Government*, published in 1964, and the controversial *Ramparts* disclosures of 1966 and 1967, these apostatical works made meaningful though limited public scrutiny of the CIA's activities possible for the first time.<sup>33</sup> It was, however, the congressional investigations of the agency conducted during the mid 1970s – the Church and Pike Reports – that opened the sluice gates, and over the past twenty years a flood of books and articles have turned the study of the CIA and the American intelligence community as a whole into a cottage industry.<sup>34</sup>

The agency itself has, over the past decade, assisted in this process and displayed a greater openness in regard to what it is prepared to declassify from its archives. Nevertheless, much remains to be uncovered and CIA reticence to go beyond what it regards as safe to reveal stems from a reasoning that was articulated in 1994 by Richard Helms, who served in the upper echelons of CIA from the time of its inception

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<sup>32</sup>Prime among these works were Philip Agee, *Inside the Company: CIA Diary* (Harmondsworth, 1975); and Victor Marchetti and John D. Marks, *The CIA and the Cult of Intelligence* (New York, 1975).

<sup>33</sup>David Wise and Thomas B. Ross, *The Invisible Government* (London, 1964); for details of the *Ramparts* articles see John Ranelagh, *The Agency: The Rise and Decline of the CIA* (London, 1986), p.471.

<sup>34</sup>Church Report, Bks.1-5: United States of America, House of Representatives, Select Committee on Intelligence, *CIA: The Pike Report*, with an introduction by Philip Agee (New York, 1977).

and was DCI during the mid 1960s: "There was a question whether certain documents should be declassified [for a conference held in 1994] on operations in France and Italy during the period of President Truman's Administration. But there's a very important election coming up in Italy shortly, and it was felt it would be very undesirable to lay out what the Agency had done in Italian elections at the end of the '40s and early '50s."<sup>35</sup>

Obstructive as the consequences of such considerations might prove to be, they can be circumvented to a considerable degree. The wealth of manuscript depositions that are available in the United States along with the printed primary and secondary material that is relevant to the subject, have been instrumental in the construction of as comprehensive a picture as time and resources allow of how the CIA's covert action mission served wider policy aims. It is a picture that departs from the received wisdom; one that neither defends nor condemns the agency or its political masters; and one which confirms that Nicolò Machiavelli's observation that "many more princes have lost their lives and their states through conspiracies than through open warfare" was as true during the first fifteen years of the Cold War as it was when it was first offered over four hundred years earlier.

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<sup>35</sup>Richard Helms and John Ranelagh, "CIA at Work, 1947-1953: Espionage and Covert Action," in *The Origin and Development of the CIA in the Administration of Harry S. Truman: A Conference Report* (Washington D.C., 1995), p.58 available at the Harry S. Truman Library, Independence, Missouri (hereafter cited as HSTL).

## CHAPTER 1

### THE ARRIVAL OF AN IMPERFECT PEACE AND THE RISE OF THE SILENT OPTION

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In 1945 the United States faced a task that Dean Acheson later characterised as being marginally less formidable than that posed in Genesis.<sup>1</sup> In brief, the challenge before America was to transform a war-torn chaotic Europe into a bastion of democracy, free trade, and private enterprise, the interests of which would correspond closely with those of the United States. Achievement of the American vision of a new world order was, however, hampered by the social and economic dislocation that six years of war had wrought, and opposed with increasing intensity by a deeply suspicious Soviet Union. The covert action mission of the Central Intelligence Agency and its predecessor, the Central Intelligence Group, evolved in concert with the changes in Truman's overall foreign and defence policies that were made necessary by the deterioration in Soviet-American relations in 1946, and the onset of the Cold War in 1947. The political action and psychological warfare campaigns that the agency conducted in Western Europe between 1946 and 1948 are therefore best understood within the context of the broader strategy of which they were a constituent part.

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#### THE TRUMAN INHERITANCE

On 12 April 1945, Harry S. Truman was catapulted into a position of unparalleled power and responsibility as president of the United States. Though unbriefed on the intricacies of foreign and defence policy, the new chief executive faced the unenviable task of overseeing American interests through a succession of events that would have tested to the limit the ingenuity and foresight of the most experienced of political leaders: the culmination of the most far-reaching and bloody war in history, and the onset of the atomic age; the menacing spectre of the Red Army firmly entrenched across much of Eastern Europe and challenging the western principle of self-determination that was so central to the Atlantic Charter; and the establishment of the United Nations Organisation. All of these issues presented themselves in imposing

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<sup>1</sup>Dean Acheson, *Present at the Creation: My Years at the State Department* (New York, 1969), preface, xix.

succession. Greatness had, to be sure, been thrust upon Truman in as conclusive a manner as was humanly possible. The new president, nevertheless, recognised that he had inherited, rather than been elected to, his position at the pinnacle of the Executive branch of government. He therefore pledged to carry on where his predecessor had left off. In terms of relations with the Soviet Union, this meant continuing with a strategy of improvisation aimed at extending the cooperation that the two powers had maintained during the war into peacetime.<sup>2</sup>

The grand alliance had from its outset, however, been a marriage of convenience, or more accurately, of necessity and the bonds that held it together loosened quickly as German resistance collapsed. By the final stages of the war, Washington was giving serious consideration to the adoption of a firmer stance in its dealings with Moscow. A mere six days before his death, for example, Roosevelt stated in a letter to Winston Churchill that "in a few days our armies will be in a position that will permit us to become 'tougher' than heretofore appeared advantageous to the war effort."<sup>3</sup> The president's remarks indicated that he was moving towards endorsing an approach that wartime expediency had hitherto caused him to resist but which had long been advocated by a preponderance of State Department Soviet experts, notably the American Ambassador to Moscow, W. Averell Harriman: that economic aid be deployed as a lever to influence Stalin to take political action that was compatible with American interests.<sup>4</sup>

Truman's succession precipitated an acceleration of this trend, largely because Roosevelt had to all intents and purposes acted as his own Secretary of State and in Truman's words, "never discussed anything important at his Cabinet meetings."<sup>5</sup> Consequently, when Truman took over the presidential reins, he had little choice other than to consult with his predecessor's advisors to ascertain exactly what direction United States policy towards the Soviet Union should take. State Department experts of the Harriman stamp were thus afforded the perfect opportunity to educate the unbriefed Truman as to their own perception of Soviet intentions, thereby ensuring that

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<sup>2</sup> Harry S. Truman, *Memoirs Volume 1: Year of Decisions*, Garden City (New York, 1955), pp.19-28.

<sup>3</sup> Francis L. Loewenheim, Harold D. Langley, and Manfred Jonas (eds.), *Roosevelt and Churchill: Their Secret Wartime Correspondence* (New York, 1975), p.705.

<sup>4</sup> Harriman to Hull, 13 March 1944, *FRUS 1944*, Vol. 4: 981.

<sup>5</sup> Robert F. Ferrell (ed.), *Off the Record: The Private Papers of Harry S. Truman* (New York, 1980), p.16

the "firm but friendly *quid pro quo*" which they had urged on Roosevelt, but which he had held back from implementing, was adopted by the new president.<sup>6</sup>

It was, of course, the successful testing of the atomic bomb that did most to reinforce Truman's determination to deal resolutely with Stalin, as was evident with the hard-line approach taken by the American president towards his Soviet counterpart at the Potsdam Conference. Molotov's truculence at the first Council of Foreign Ministers' meeting in London during September 1945 proved, however, that the United States' nuclear monopoly did not compensate for the deficiencies of conventional American power:<sup>7</sup> deficiencies which would become ever more pronounced with the rapid demobilisation programme initiated by Truman, under domestic and congressional pressure.

By the time of the Moscow Foreign Ministers' Conference in December 1945 it had become clear that the principal contention between the two emerging superpowers could not be reconciled. American promotion of the principle of self-determination was simply incompatible with Soviet insistence that a security buffer zone be established along its western borders.<sup>8</sup> Rather than attempting to settle its differences with the Russian leadership through negotiation and compromise, the Truman administration now looked on the Soviet Union as a potential enemy with vital interests that endangered the principles and aspirations of the United States and its allies.<sup>9</sup>

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#### COLD WAR ABROAD AND ITS IMPACT AT HOME

On 7 January 1946, James V. Forrestal wrote a letter to journalist Walter Lippmann that relayed the mood of uncertainty which prevailed across much of the American

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<sup>6</sup>Walter Isaacson and Evan Thomas, *The Wise Men: Six Friends and the World They Made* (New York, 1986), pp.257-258.

<sup>7</sup>Henry Stimson and McGeorge Bundy, *On Active Service in Peace and War* (New York, 1947), pp.617-637.

<sup>8</sup>Byrnes-Stalin meeting, 23 December 1945, *FRUS 1945*, Vol. 2: 752-756.

<sup>9</sup>John Lewis Gaddis, *The United States and the Origins of the Cold War, 1941-1947* (New York, 1972), pp.282-285.

political establishment at the time. With respect to its relations with the Soviet Union, the Secretary of the Navy asked, was the United States "dealing with a nation or a religion?"<sup>10</sup> If Forrestal tended towards believing the latter, then his suspicions were reinforced by two major expositions on the nature of the Soviet state which together established the criteria through which the Truman administration was to interpret Russian behaviour – the American chargé d'affaires to Moscow, George Kennan's "Long Telegram" of February 1946 and the Clifford-Elsey report, which was prepared on the president's orders and presented its findings in September 1946.<sup>11</sup>

These two analyses were at variance on several levels. Kennan, for instance, argued that the Russian leadership was driven primarily by a traditional sense of insecurity and that capitalist encirclement was essential for the justification of its autocratic rule. It consequently followed that the Soviet Union "would not yield entirely to any form of rational persuasion or assurance."<sup>12</sup> The Clifford-Elsey report, on the other hand, identified ideology as a determinant of, rather than as merely reinforcing, Soviet perceptions and actions. Nevertheless, common to both of these appraisals were the closely connected assumptions that the Soviet Union was an expansionist power, and that the United States could neither afford, nor should it allow, any further Russian territorial or political advances.

The Kennan and Clifford-Elsey appraisals and prescriptions were, furthermore, reinforced by what Americans perceived to be Stalin's intimidation of Iran and Turkey: developments which were seen by many in the administration as being analogous with the Munich crisis of 1938.<sup>13</sup> Consequently, from early 1946 Truman applied the axiom that no further concessions would be made to the Kremlin. From this juncture,

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<sup>10</sup>Walter Millis (ed.), *The Forrestal Diaries* (New York), 1951, pp.134-135.

<sup>11</sup>Acheson, *Present at the Creation*, p.51; "American Relations with the Soviet Union: A Report to the President by the Special Counsel to the President," 24 September 1946, in Thomas H. Etzold and John Lewis Gaddis, *Containment: Documents on American Policy and Strategy, 1945-1950* (New York, 1978), pp.64-71.

<sup>12</sup>George F. Kennan, *Memoirs, 1925-1950* (New York, 1967), pp.292-293; The Long Telegram, 22 February 1946, *FRUS 1946*, Vol.6: 696-709.

<sup>13</sup>Bruce R. Kuniholm, *The Origins of the Cold War in the Near East: Great Power Conflict and Diplomacy in Iran, Turkey, and Greece* (Princeton, 1980), pp.358-359.

then, the United States raised its profile on the international stage and took a significant step towards countering the Soviet threat.<sup>14</sup>

The Truman administration's overarching defence and foreign policy objective between 1946 and 1950 was directed at responding to Russian pressure, whether of a military or political kind, in a manner that was sufficient to deter but not to provoke. Washington's takeover of British commitments to Greece and Turkey that, by February 1947, London could no longer afford to sustain, marked a defining point in, rather than the beginning of, the Cold War. This overall United States policy and indeed the covert operations in Western Europe which were mounted to ensure its success, can only be properly understood, however, when looked at in relation to the fundamental and often interwoven strategic, economic, and domestic-political concerns that shaped it, and dictated its course.

The cornerstone of Washington's efforts to strike a balance of power and preserve the global equilibrium to America's advantage was the drive to rehabilitate the war-torn economies of Western Europe. Truman regarded the long-term prosperity of the United States and the economic well-being of the world as resting on a multilateral capitalist free trading system that granted all nations equal access to markets and raw materials.<sup>15</sup> The achievement of the vision of an open-door was constrained, however, by the refusal of the communist world to integrate itself into a capitalist world order. The United States could therefore only hope to achieve the partial success of this objective by actually suspending it in 1947 until the economies of Western Europe and Japan, bolstered by American aid, were strong enough to make multilateralism viable.<sup>16</sup>

While it was an end in itself, the restoration of Western Europe as a fortress of capitalism and democracy was also seen by American policymakers as a *means* of containing communism: a reflection of the Truman administration's adoption of

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<sup>14</sup>Clark Clifford, Oral History 276, Vol.1, pp.169-171, HSTL .

<sup>15</sup>Address on foreign economic policy delivered at the Baylor University, 6 Mar. 1947, *Public Papers of the Presidents of the United States. Harry S. Truman. Containing the Public Messages, Speeches and Statements of the President, 1947*, 167-172 (Washington, D.C., 1963) – hereafter cited as *Truman Public Papers*.

<sup>16</sup>Gabriel Kolko and Joyce Kolko, *The Limits of Power: The World and United States Foreign Policy, 1945-1954* (New York, 1972), pp.11-29, pp.359-361.

"strongpoint defence." This concept proceeded from the premise that the United States would concentrate its efforts on defending areas which were of vital, as opposed to peripheral, importance to its national interests. Regions with good lines of communication, substantial natural resources, and military-industrial capacity were prioritised. Consequently, Western Europe, where the communist challenge was seen as endangering American interests most, whether in a political or military sense, became the principal theatre of containment.<sup>17</sup> Strongpoint defence also enabled the United States to select the most effective weapons in its containment arsenal.<sup>18</sup> Thus, in initiating the \$13 billion European Recovery Program (ERP), or Marshall Plan as it is most commonly known, and the interim aid packages which preceded it, the United States established economic rehabilitation as the principal instrument through which communism would be countered.<sup>19</sup>

A further and closely connected objective of American foreign policy was the protection of the vital natural resources of the Middle East. The concern in Washington was that, should the United States not act to deter communist expansion, then Middle Eastern oil reserves would fall into hostile hands.<sup>20</sup> It was this logic that in fact informed Truman's decision to apply diplomatic pressure to force the Kremlin to withdraw from Iran in the spring of 1946. A Greek-Turkey-Iran barrier was, moreover, strongly implied in the Truman Doctrine itself, not least because of the fear, expressed by Forrestal in May 1947, that a Russian presence in the eastern Mediterranean would carry with it the potential for Stalin to cut essential oil supplies at a time when Western Europe was suffering acute coal shortages. Denied essential Middle Eastern resources, a politically unstable Europe could, American politicians feared, go communist.<sup>21</sup>

The Truman Doctrine, in essence then, was the ultimate expression of, rather than a departure from, an American foreign policy programme that had been in place since early 1946, and which was aimed at protecting interests vital to the United States by preventing the Soviet Union from becoming the predominant power on the Eurasian

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<sup>17</sup>Gaddis, *Strategies of Containment*, pp.57-58.

<sup>18</sup>*ibid.*, pp.61-63.

<sup>19</sup>Robert H. Ferrell (ed.), *The American Secretaries of State and Their Diplomacy: Volume XV. George C. Marshall* (New York, 1966), p.109, pp.129-135.

<sup>20</sup>Acheson, *Present at the Creation*, pp.218-219.

<sup>21</sup>Jones, *Fifteen Weeks* (New York, 1955), pp.133-134; Millis (ed.), *Forrestal Diaries*, pp.266-267.

mainland. Truman's aim in enunciating the doctrine to which he gave his name was to shock the American public and Congress into giving full fledged support for such an approach. The president was not, however, making an open-ended commitment to resist communism everywhere.<sup>22</sup> Requests for American assistance would, Acheson assured the Senate Committee on Foreign Relations, be judged "according to the circumstances of each specific case."<sup>23</sup> Nevertheless, the economic instrument of containment was to be the principal means through which communism was to be countered from 1947, with, as Forrestal confirmed, "political stability, and military stability" following as the basic order of American priorities. Several factors led him to this conclusion.<sup>24</sup>

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Between 1945 and 1949, Truman adopted a conservative fiscal policy which was directed at achieving balanced budgets through the holding down of inflation and the reduction of excessive tax burdens. Despite the Cold War, the armed forces fell victim to these policies. Defence budgets fell, for instance, from \$44.7 billion for fiscal 1946 to \$13.1 billion for fiscal 1947 – the year of the Truman Doctrine.<sup>25</sup> Moreover, federal government expenditures were further constrained between 1946 and 1948 by a Republican dominated Congress which, in spite of a bipartisan foreign policy consensus (at least with regard to Europe), used its power of the purse to accentuate this downward spiralling of defence funding.<sup>26</sup>

A military buildup was therefore seen as an unattractive, if not unavailable, option in American governmental circles and this was reinforced by Moscow's lack of military preparedness. Though the Soviet Union made a number of moves to enhance its military capabilities during the early postwar period, its Navy and Air Force were no

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<sup>22</sup>Special Message to the Congress on Greece and Turkey: The Truman Doctrine, *Truman Public Papers*, 1947, 176-180.

<sup>23</sup>Acheson, *Present at the Creation*, p.225; Marshall to Lovett, 23 April 1948, *FRUS 1948*, Vol. 3: 103.

<sup>24</sup>Millis (ed.), *Forrestal Diaries*, p.350.

<sup>25</sup>Gaddis, *Strategies*, p.23

<sup>26</sup>Edward A.Kolodziej, *The Uncommon Defence and Congress* (Columbus, Ohio, 1966), pp.35-39.

match for their American counterparts.<sup>27</sup> The United States, furthermore, held a nuclear monopoly and was at this time establishing what military planners referred to as a "strategic frontier": a comprehensive overseas base system located in countries on or close to the periphery of the Soviet Union. From here American airpower could be projected rapidly against, for instance, Russian petroleum reserves in Rumania and the Baku oilfields, or alternatively be deployed to counter any Soviet advance on the Middle East, should war come.<sup>28</sup> American reasoning was, therefore, that the Soviet Union had no plans for war between 1946 and 1950, and that the main danger of superpower conflict arising was through miscalculation.<sup>29</sup>

Other considerations lent credence to these perceptions. A microfilm that the CIA received from a Russian official based in one of the Soviet satellites revealed the possibility of a split in the Politburo, where the hawkish Molotov was arguing vigorously against the conciliatory line advocated by Mikoyan's faction on the issue of foreign policy.<sup>30</sup> This suggested that the Soviet leadership lacked the necessary unity of purpose to embark on a military adventure. The combination of these factors made an American buildup of defence spending difficult to justify, especially in light of the fact that Truman himself held to the view that economic aid would anyway bring greater benefits per dollar. Military strength was thus deployed only as an essential backup to economic aid.<sup>31</sup>

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The design of foreign and defence policy was, for Truman, further complicated by the tendency for domestic concerns to encroach on the sphere of international politics. During the first two years of his presidency, the quality of Truman's management of

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<sup>27</sup>"Capabilities and Intentions of the USSR for Overrunning Northern and Western Europe in 1947, 1948, and 1949" 28 February 1947, Plans and Operations, in Melvyn Leffler, "American Conception of National Security," *American Historical Review* 89 (April 1984): 346-381, at 360.

<sup>28</sup>*ibid*, 350-352; Kolodziej, *Uncommon Defense*, pp.59-60; Melvyn P. Leffler, *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* (Palo Alto, California, 1992), pp.224-225

<sup>29</sup>Leffler, *Preponderance of Power*, p.149.

<sup>30</sup>Hillenkoetter memo., 8 August 1947, folder 129, William D. Leahy Files, U.S. Joint Chiefs of Staff Records, box 20, Record Group 218 (hereafter cited as RG), Modern Military Branch, NA.

<sup>31</sup>Gaddis, *Strategies of Containment*, pp.63-67.

the American economy from a wartime to a peacetime footing left much to desired and his public support had declined accordingly. He therefore needed to reestablish himself as a decisive leader and simultaneously build bridges with Congress, which after November 1946 was Republican-dominated. The Truman Doctrine, by expanding, and also making public, his conception of America's world responsibilities served both ends.<sup>32</sup>

From a domestic perspective, the Truman Doctrine had two objectives, both of which succeeded. For the consumption of the American public, the president portrayed the problem in Greece as being symbolic of an ideological confrontation between totalitarianism and democracy. This was a clever ploy, for by equating communism and nazism, Truman played on wartime memories and projected himself as making a decisive stand for the cause of freedom. Most significantly, he mobilised public opinion in a manner that prepared the path for the ERP. On Capitol Hill, the Republicans were trapped into choosing between budget cuts and fighting communism, which left them with little room for manoeuvre. If Congress opted for budget cuts then the president could accuse the GOP of endangering the free world in favour of its own narrow aims. In supporting the Truman Doctrine, however, the Republican leadership made common cause with the president and could subsequently offer little in the way of a distinctive foreign policy position during the 1948 presidential election.<sup>33</sup>

The downside of Truman's adoption of so forthright an anticommunist stance was that it alienated those within the Democratic party who, led by former Vice President Henry Wallace, advocated a policy of conciliation towards the Soviet Union. Indeed, Wallace's announcement of his third party candidature in the 1948 presidential elections spelt potential electoral disaster for Truman.<sup>34</sup> The president faced an additional defection from his own camp by Dixiecrats led by Strom Thurmond, who had decided to stand on a States' Rights ticket in reaction to Truman's liberal civil rights policy. Thus, the unwelcome spectre of a three way split in the Democratic camp spelt almost certain defeat for the president in 1948.<sup>35</sup>

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<sup>32</sup>Leffler, *Preponderance of Power*, pp.145-146.

<sup>33</sup>Special Message to the Congress on Greece and Turkey: The Truman Doctrine, *Truman Public Papers*, 1947, 176-180; George M. Elsey, OH 128, Vol.2, pp.353-358, pp.369-372, HSTL.

<sup>34</sup>Robert Divine, 'The Cold War and the Election of 1948,' *Journal of American History*, 59(June 1972): 90-110, at 92.

<sup>35</sup>Harry S. Truman, *Memoirs. Volume II: Years of Trial and Hope* (New York, 1956), pp.194-196.

A succession of developments on the international stage in the form of the Czechoslovak coup of February 1948, the war scare of the following month, and the onset of the Berlin blockade in June that year, however, came to Truman's rescue. These events diminished Wallace's credibility and laid bare the extent to which he was out of step with the American public.<sup>36</sup> Truman was, furthermore, able to elevate his presidential status through his management of these crises without attracting criticism from his Republican opponent, Thomas E. Dewey, an internationalist who supported the president's containment measures.<sup>37</sup>

For Truman's foreign policy stance to pay full domestic-political and electoral dividends, however, containment needed to be *seen* to be working. While economic aid backed up with military strength was vital to the achievement of this objective, they were not in themselves sufficient to counter what was gauged to be a political threat. In this respect the covert operations conducted by the CIA in Western Europe played an essential role in the overall implementation of American foreign policy. This in turn helped to secure Truman's political survival between 1946 and 1948, and his electoral victory in the latter year. Though the agency varied its tactics according to the circumstances it encountered in any given country, its fundamental task remained the same: to counter Soviet-inspired subversion and political advances and act as a necessary complement to the economic and military instruments of containment. Such a mission was something of a quantum leap from the role that the Truman administration had initially envisaged a central intelligence organisation as performing in 1945.

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**THE BIRTH AND EARLY EVOLUTION OF THE CIA AND THE EMERGENCE OF ITS  
COVERT ACTION MISSION, 1945 - 1948**

The period from the end of World War II through to the onset of the Berlin blockade saw the Truman administration initiate a unique series of advances in the concept of central intelligence. In the space of only three years the CIA was first founded then

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<sup>36</sup>*ibid*; Special Message to the Congress on the Threat to the Freedom of Europe, 17 Mar. 1948, *Truman Public Papers*, 1948, 183-186.

<sup>37</sup>Divine, '1948 Election,' 97-109.

expanded from performing a limited coordination and evaluation function under its earliest manifestation – the Central Intelligence Group – to engaging in a diverse range of activities which included independent intelligence production, clandestine collection, and covert action.<sup>38</sup> Up to this point the agency's ability to conduct covert operations was confined, however, to the use of a limited psychological warfare capacity aimed at thwarting the political threat posed by indigenous Communist parties in Western Europe.<sup>39</sup> The implementation of a more comprehensive programme of clandestine action was constrained by uncertainty in the Departments of State and Defense as to where control and responsibility for such a measure should reside.<sup>40</sup> This debate was resolved with the creation of the OPC, which became active from 1 September 1948 and proved catalytic in the unprecedented growth of American covert action and in the expansion and reorganisation of the CIA itself over the subsequent four years.<sup>41</sup>

The CIA was neither the only nor the most prominent component of the United States intelligence community. It operated alongside the FBI and the intelligence agencies of the Army, Navy, and State Departments in an atmosphere that was noted for its competitive edge rather than its cooperative spirit. The role of "first among equals" in America's intelligence war with the Soviet Union was consequently one which the CIA succeeded to gradually rather than adopted immediately.<sup>42</sup> It was, moreover, a process that was not in fact completed until 1953. The years 1945 to 1948 were, nonetheless, of great importance in the evolution of the agency's structure, size, and mission, and three determinants were primarily responsible for dictating its course: (1) institutional conflicts; (2) the personalities and influence of the respective Directors of Central Intelligence; and (3) the consistent redefinition of American organisational and

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<sup>38</sup>*Church Report*, Bk. 1, p.99.

<sup>39</sup>Psychological and Political Warfare Introduction, *FRUS: Intelligence Community, 1945-50*: 617-619.

<sup>40</sup>Anne Karalekas, *History of the Central Intelligence Agency* (Laguna Hills, California, 1977), pp.27-28 – Karalekas's history first appeared in the "Supplementary Detailed Staff Reports on Foreign and Military Intelligence" in Book 4 of the *Church Report*.

<sup>41</sup>Psychological and Political Warfare Introduction, *FRUS: Intelligence Community, 1945-50*: 620-621.

<sup>42</sup>Quote from Thomas Powers, "The Truth About the CIA," *New York Review of Books*, Vol.XL, No.9 (May 1993): 49-55, at 49.

informational needs that accompanied the Truman administration's increasing preoccupation with the Soviet/communist threat.<sup>43</sup>

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The notion that the United States should maintain an independent and centralised intelligence organisation in peacetime originated primarily out of Washington's determination to avoid the mistakes of the past, specifically the surprise attack on Pearl Harbor in 1941. The most vocal champion of such an agency was General William Donovan, director of the Office of Strategic Services (OSS) – the wartime predecessor of the CIA – who from 1944 began campaigning for what boiled down to a continuation of his own organisation after hostilities had ended.<sup>44</sup> However, the 'Donovan Plan' failed to pass muster with Truman. Dissatisfied with the intelligence handled by the OSS during the war, the president regarded Donovan as a shameless self-publicist who was doing little other than "making speeches and propagandising his own great achievements." Truman consequently dissolved the OSS in September 1945.<sup>45</sup>

This is not to say that the president did not want to provide for more efficient intelligence provisions than those that had existed during the war, which had been confused and characterised by endemic feuding between the key intelligence providers – the State, War, and Navy Departments, the FBI, and the OSS.<sup>46</sup> Indeed, on the very day that Donovan's organisation was disbanded, Truman dispatched a letter to Secretary of State Byrnes which called for "a comprehensive and coordinated foreign intelligence program."<sup>47</sup> The key issues centred on what form such an instrumentality would take and who would control it.

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<sup>43</sup>*Church Report*, Bk. 1, p.99.

<sup>44</sup>Arthur B. Darling, *The Central Intelligence Agency: An Instrument of Government to 1950* (University Park, Pennsylvania and London, 1990), pp.20-38.

<sup>45</sup>Conversation between Adm. Sidney W. Souers and Messrs. William Hillman and David M. Noyes, 15 Dec. 1954, Kansas City, Missouri, "CIA Founding and Dispute," (5 of 5), Student Research File (B File), Papers of Harry S. Truman, HSTL.

<sup>46</sup>*ibid.*

<sup>47</sup>Truman to Byrnes, 20 Sept. 1945, *FRUS: Intelligence Community 1945-50*: 46-47.

Even before the war's end a number of articles had begun to circulate in the conservative press in the United States aimed at raising public fears about the dangers posed by an "American Gestapo."<sup>48</sup> Alarmist though they were, these concerns struck a chord with Truman. He was determined not to found a secret police force which could one day be brought to bear against the American people.<sup>49</sup> The establishment of a centralised body charged with the task of coordinating and evaluating the United States intelligence effort and rectifying the problem of departmental duplication, nevertheless, remained a crucial element in Truman's plans to unify and streamline the military. The final months of 1945 thus witnessed a long series of disputes among the State, War, and Navy Departments and the FBI, firstly over who a new "national intelligence structure" would answer to, and secondly how it would fit within the context of a unified Department of Defense. These debates were resolved with the creation of the Central Intelligence Group on 22 January 1946. Corresponding, albeit in a diluted form, to the recommendations of the Eberstadt Report which was commissioned by Navy Secretary James Forrestal, the policies and procedures governing the CIG called for a civilian centralised intelligence structure answerable to a national intelligence authority that was to advise the president.<sup>50</sup>

The coming of the CIG coincided with the rapid deterioration in Soviet-American relations which occurred during the early months of 1946, and given the fact that "Washington knew virtually nothing about the USSR" at this stage, the group stood to be of great advantage, at least theoretically, to the Truman administration.<sup>51</sup> This applied in a domestic as well as foreign policy context, for by making balanced appraisals of the available information on the Soviet Union, the CIG, if allowed to operate as intended, could provide Truman with a ready instrument for countering the self-serving estimates of the military. The group would therefore have been of potential assistance to the president in his drive to achieve balanced budgets, had it not been trapped in a position of perpetual compromise in terms of its evaluation function. Jealously guarding their intelligence and advisory prerogatives, the Departments of

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<sup>48</sup>Walter Trohan, "New Deal Plans Super Spy System," *Chicago Daily Tribune*, 9 Feb. 1945, HSTL.

<sup>49</sup>Thomas F. Troy, *Donovan and the CIA: A History of the Establishment of the Central Intelligence Agency* (Washington D.C., 1981), p.455.

<sup>50</sup>Anna Kasten Nelson, "President Truman and the Evolution of the National Security Council," *Journal of American History*, 72(1985): 360-378, at 361-362; Darling, *Central Intelligence Agency*, pp.56-60.

<sup>51</sup>Quote from Harry Rositzke, "America's Secret Operations," 335.

State, War, and the Navy failed to relinquish either the quantity or quality of information necessary to make the evaluation process work. The CIG did not, however, possess the leverage to rectify this problem, for the same institutions that hampered its mission were also responsible for allocating its funds and personnel.<sup>52</sup>

The first DCI, Admiral Sidney W. Souers, did little to remedy these drawbacks. He was essentially a caretaker who avoided conflict with the departmental intelligence components and worked to the limited brief of establishing the bureaucratic legitimacy of the CIG until a more permanent replacement could be found.<sup>53</sup> His successor, Lieutenant General Hoyt S. Vandenberg, adopted a wholly more ambitious and at times confrontational approach. Assuming control in June 1946, Vandenberg served only eleven months as DCI, leaving in May 1947 to head the newly-independent United States Air Force, which came into being with the passage of the National Security Act the following July. He nevertheless made an enormous impact during his brief tenure as DCI. Vandenberg's objective was, in brief, a preemptive one that posed a fundamental challenge to the departmental intelligence components: to transform the CIG from a small non-statutory body with limited influence, finite resources, and an uncertain future into an independent, self-sufficient intelligence organisation. The functional parameters of the projected central intelligence agency would thereby be in place, so Vandenberg calculated, in advance of such an institution being legally enshrined in the impending national security legislation.<sup>54</sup>

Commanding considerable influence both on Capitol Hill – where his uncle was the senior Republican Senator, Arthur Vandenberg – and in the Executive, the DCI: (1) gained authority for the CIG to carry out independent research and analysis; (2) persuaded Truman that the group required greater bureaucratic independence if it was to serve the White House more effectively; (3) won increases in the CIG's budget and personnel; and (4) as a result of such increases, established the Office of Research and Estimates (ORE) in August 1946 to improve interagency coordination. While important in themselves, these developments were also significant in the procedural precedents that brought them about – Truman's authorisation of National Intelligence Authority (NIA) directives. NIA directives and the National Security Council

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<sup>52</sup>William Colby and Peter Forbath, *Honourable Men: My Life in the CIA* (London, 1978), p.68.

<sup>53</sup>Souers's Tenure as DCI, Introduction, *FRUS: Intelligence Community, 1945-50*: 316-318; *Church Report*, Bk. 1, p.101.

<sup>54</sup>Montague, *Smith-DCI*, pp.27-28.

Intelligence Directives (NSCID's) which superseded them became the principal means, along with executive orders, by which the CIA's so called "secret charter", which specified the activities that the agency was permitted to perform, was established.<sup>55</sup>

The most far-reaching measure to be introduced during Vandenberg's tenure was, however, his incorporation of the Strategic Service Unit (SSU) – the clandestine collection component of the OSS – into the CIG in August 1946.<sup>56</sup> This marked the culmination of a year-long process in which Washington pondered whether the United States should conduct espionage in peacetime at all and if so what operational provisions should be emplaced to accommodate such a move: arguments that were in fact symptomatic of the uncertainty that permeated the wider debate on the shape of America's postwar intelligence system.

In terms of clandestine collection, Truman's disbandment of the OSS amounted essentially to a dispersal of resources. The Secret Intelligence and Counterintelligence Branches of Donovan's organisation were merged to become the SSU and placed under the command of Brigadier General John Magruder and the control of the War Department.<sup>57</sup> To all intents and purposes this was a holding operation. Indeed, the Lovett Committee, which under the then Assistant Secretary of War for Air was responsible for determining the SSU's future, spelt this out. The nucleus and assets of the espionage and counterespionage capabilities established by the OSS in wartime were to be retained and the liabilities liquidated. Lovett's committee was, furthermore, in little doubt as to where the SSU should ultimately be housed, recommending that it be transferred "to the Central Intelligence Agency as soon as it is organised."<sup>58</sup>

Magruder began lobbying for the merger of his organisation with the CIG from the moment it was founded. The campaign was continued by his successor Lieutenant Colonel William W. Quinn and came to fruition over a four month period in 1946. The authorisation of NIA directive 5 in July of that year took the process part of the

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<sup>55</sup> Karalekas, *History of the CIA*, pp.13-14, p.102; *Church Report*, Bk.1, p.21.

<sup>56</sup> Thomas Powers, *The Man Who Kept the Secrets: Richard Helms and the CIA* (New York, 1981), p.27.

<sup>57</sup> John Magruder, Memo. for Maj. Gen. S. Leroy Irwin, "Assets of the SSU for Peace-time Intelligence Procurement, 15 Jan. 1946, in Warner, *CIA Cold War Records*, pp.21-28.

<sup>58</sup> Memo. from the Lovett Cte. to Sec. of War Patterson, 3 Nov. 1945, *FRUS: Intelligence Community, 1945-50*: 98-105, quote at 104.

way. The DCI was to supervise the liquidation of the SSU, determine which assets were permanently required, and oversee its interim operations. By October the merger was completed, and the SSU had become the Office of Special Operations, a component part of the CIG.<sup>59</sup>

The CIG's acquisition of the SSU has been likened to "a mouse eating an elephant." A much larger concern than Vandenberg's, Quinn's organisation "incorporated dozens of overseas stations and its own procedures and files running back to its wartime OSS origins."<sup>60</sup> The SSU was, moreover, financially well-heeled, with a budget of unvouchered leftover OSS cash funds amounting to some \$8 million, which Quinn allocated to his station chiefs on a pro-rata basis. Vandenberg thus inherited a well oiled clandestine collection component that had been working "against the operations of foreign intelligence services and secret organisations" from the moment of its inception.<sup>61</sup>

Though sources dealing with the specifics of the SSU's activities are limited, a broad picture of its mission is discernible. Even before the end of World War II, James Murphy, the head of X-2, the counterintelligence branch of the OSS, had identified the need to combat the threat posed by Soviet intelligence agents in the West. The SSU subsequently began to work against Marxist groups, particularly Western Europe's Communist parties, if not before then certainly immediately after the defeat of the Axis powers.<sup>62</sup>

The exact scope of these operations is not clear. Certainly, in respect of covert action, the executive order which disbanded the OSS specified that operations of this nature be terminated in peacetime.<sup>63</sup> Ian Sayer and Douglas Botting's exhaustive study of the Counterintelligence Corps of the Army (CIC), however, provides evidence that the SSU took advantage of its transfer to the War Department to circumvent this ruling. In

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<sup>59</sup>National Intelligence Directive No.5, 8 July 1946, *ibid*: 391-392; Termination of SSU Operations, SSU General Order No.16, 19 October 1946, *ibid*: 304-305.

<sup>60</sup>Warner, *CIA Cold War Records*, xvi.

<sup>61</sup>Hersh, *The Old Boys*, p.178; *Church Report*, Bk.1, p.102; Darling, *Central Intelligence Agency*, p.95.

<sup>62</sup>Robin W. Winks, *Cloak and Gown: Scholars in the Secret War, 1939-1961* (New York, 1987), pp.340-341.

<sup>63</sup>Darling, *Central Intelligence Agency*, p.94; *Church Report*, p.144.

short, the CIC provided a convenient cover and source of practical assistance, even to the extent of creating dummy CIC detachments behind which newly-created clandestine agencies, namely the SSU, were able to hide in the furtherance of their *sub rosa* activities: operations that in practice often involved a blurring of distinctions between espionage, counterespionage, and small-scale psychological warfare ventures.<sup>64</sup> A January 1946 review of the SSU's activities and resources lends credence to these arguments, pointing out that although the unit's clandestine action branches had been liquidated, "selected personnel [had] been integrated into the Secret Intelligence Branch," which was operating in Western Europe, the Near East, North Africa, and the Far East under military control.<sup>65</sup> Such moves were, moreover, in keeping with the received wisdom at the highest levels of the War Department. The first record of a ranking administration official suggesting that the United States engage in covert action of any kind is Secretary of War Patterson's proposal of March 1946 that consideration be given to the development of a psychological warfare capacity, the guidelines for which were drawn up by the State-War-Navy Coordinating Committee (SWNCC) in little over a year.<sup>66</sup>

That the CIG/CIA engaged in some form of covert action before the authorisation of NSC 4/A on 14 December 1947, which gave official sanction for the agency to conduct psychological warfare operations for the first time, is in fact a matter of public record. Trevor Barnes uncovered correspondence between Vandenberg and Truman from February 1947 in which the DCI clearly stated that "the clandestine operations of the CIG are being successfully established in most of the critical areas outside the United States and are proceeding satisfactorily."<sup>67</sup> The exact nature and location of these operations was not specified. By the following April, however, Vandenberg was testifying secretly before the Senate Armed Services Committee on the "necessity of clandestine operations," the objective being to have official authority granted for covert action ahead of the National Security Act – which in this instance was not given.<sup>68</sup>

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<sup>64</sup>Sayer and Botting, *The CIC*, p.317.

<sup>65</sup>John Magruder, Memo. for Maj. Gen. S. Leroy Irwin, "Assets of SSU for Peace-time Intelligence Procurement," 15 Jan. 1946, in Warner, *CIA Cold War Records*, pp.21-24, quote on p.24.

<sup>66</sup>Darling, *Central Intelligence Agency*, pp.250-256; Karalekas, *History of the CIA*, p.26.

<sup>67</sup>Memo., Vandenberg to Truman, 25 February 1947, in Barnes, "The Secret Cold War," 405.

<sup>68</sup>"Testimony on the National Security Act 1947", Vandenberg to the Secretaries of the Armed Services Committee, 29 April 1947, *ibid.*

The National Security legislation altered the name and elevated the status of the CIG – henceforth it was known as the CIA. Now an independent department responsible to the president through the newly created National Security Council (NSC), the CIA was permitted to engage in an unspecified range of "functions and duties related to intelligence affecting national security."<sup>69</sup> This terminology was actually transferred from the CIG's original charter and amounted to what Clark Clifford referred to as a 'catch all' clause: a euphemistic phrase which reserved the right for the agency to engage in covert operations if so directed.<sup>70</sup>

Vandenberg's successor, Admiral Roscoe H. Hillenkoetter, who served as DCI between May 1947 and October 1950, in fact expressed considerable doubt as to whether the CIA should embark on such a course, believing that psychological warfare was a military function which belonged in an organisation responsible to the Joint Chiefs of Staff (JCS). The fact remained, however, that one third of the CIA's personnel were former OSS officers, who had gained invaluable experience during wartime. Individuals of the calibre of Richard Helms and Harry Rositzke in Germany, James Angleton in Italy, and Alfred Ulmer in Austria were in a strong position to develop and implement covert projects quickly and efficiently. Indeed, this had been the case from before the OSO first came into being.<sup>71</sup>

Hillenkoetter was also uncertain as to whether clandestine operations could be conducted without the consent and advice of Congress, a concern which in fact proved to be unwarranted. Between 1946 and 1950, and long afterwards, Capitol Hill remained largely unperturbed about clandestine action. It represented a relatively inexpensive means of furthering foreign policy objectives at a time when the Legislature was as keen as the Executive to keep spending down. This in turn led Congress to apply what Leverett Saltonstall described as the "want to know" and "need to know" principles: "It is not a question of reluctance on the part of CIA officials to

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<sup>69</sup>"National Security Act of 1947", *Hearing before the Committee on Expenditures in the Executive Departments*, 80 Cong., 1 sess. (27 June 1947), in *Church Report*, Bk. 1, pp.143-144; William M. Leary, *The CIA: History and Documents* (Birmingham, Alabama, 1984), pp. 27-30.

<sup>70</sup>Clark Clifford to Church Cte., *Church Report*, Bk. 1, p.144; Colby and Forbath, *Honourable Men*, p.68.

<sup>71</sup>Karalekas, *History of the CIA*, p.27; Colby and Forbath, *Honourable Men*, p.69.

speak to us. Instead it is a question of our reluctance, if you will, to seek information [that] I personally would rather not have."<sup>72</sup>

As a consequence, liaison between the CIA and Congress came to be determined by the personal relations of the DCI and the chairmen of the Armed Services and Appropriations subcommittees, who assumed jurisdiction over the agency – these subcommittees were, to quote from the *Church Report*, "relatively inactive."<sup>73</sup> Richard Helms maintains that despite charges to the contrary, the CIA's budget was "laid out in minute detail" for congressional leaders to examine in full. Stringent budgetary controls would in fact have provided the best means of scrutinising the agency's actions, but in an era when "the Cold War was ominous" Capitol Hill gave the fledgling organisation considerable room for manoeuvre.<sup>74</sup> Even if this had not been the case, the CIA was already in possession of a system of unvouchered funds for its clandestine collection mission, which ensured that Hillenkoetter did not need to approach Congress for separate appropriations.<sup>75</sup>

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The chronology of events between the passage of the National Security Act and the authorisation of NSC 4/A began in August 1947. At this juncture, Donovan urged Forrestal to utilise psychological warfare tactics to counter communist-instigated political disruption, most specifically in France. The former OSS chief added the veiled warning that a privately-financed anticommunist campaign was in the offing which, Donovan was sure, Forrestal would regard as unwise to let pass beyond American control.<sup>76</sup>

From Donovan's point of view, a successful approach to Forrestal less than a month before his appointment to the newly created and highly influential position of Secretary of Defense, presented an opportunity for the former OSS chief to build

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<sup>72</sup>William R. Corson, *Armies of Ignorance: The Rise of the American Intelligence Empire* (New York: Dial, 1977), pp.295-298; Saltonstall quoted in *Church Report*, Bk.1, pp.149-150.

<sup>73</sup>*Church Report*, Bk.1, pp.149-150.

<sup>74</sup>Richard Helms address to conference entitled "The Origins and Development of the CIA in the Administration of Harry S. Truman," 18 March 1994, p.50, HSTL.

<sup>75</sup>*Church Report*, Bk.1, pp.149-150; Karalekas, *History of the CIA*, p.29.

<sup>76</sup>Jeffreys-Jones, *CIA and American Democracy*, p.49.

bridges with the administration. Forrestal had, after all, played a key role in ensuring that Souers was appointed as the first DCI.<sup>77</sup> Raising the spectre of independent, unfettered, and potentially counterproductive anticommunist initiatives, moreover, provided a means of leveraging the United States government into action. Donovan would have been well aware of this, since less than two years beforehand the designs of an ex-OSS Deputy Director and Thomas Watson, the head of IBM, to launch a private intelligence company and offer its services to the government, had been neutralised with the creation of the National Intelligence Authority.<sup>78</sup> At this stage, then, Donovan may well have envisaged himself as securing, with Forrestal's help, the top post in a new covert operational branch of the CIA, should the administration have been prompted to establish such a body.

There were, however, more tangible reasons than the mere force of Donovan's arguments for the conversion of Forrestal to the need for more direct and extensive covert action, which reportedly took place between August and October 1947. As Secretary of Defense, Forrestal had a unique and newly-found insight into the limits of military power, especially when it was ranged against a political foe. A more appropriate instrument needed to be speedily developed and employed to counter the unprecedented onslaught of political disruption initiated by the communists with Moscow's establishment of the Communist Information Bureau (Cominform) in 1947. From an American standpoint, the most effective approach was to upgrade and intensify the small-scale CIA operations which were already in place in Western Europe.<sup>79</sup>

The central and most hotly debated issue during the closing months of 1947, however, hinged on who would control, and take responsibility for, the American covert action programme.<sup>80</sup> The question of control was less contentious than that of responsibility. Propaganda of all kinds was seen by both the State Army Navy Coordinating Committee (SANACC) – which superseded the SWNCC with the advent of the National Security Act – and the Joint Chiefs of Staff as falling within the jurisdiction

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<sup>77</sup>Danny D. Jansen and Rhodri Jeffreys-Jones, "The Missouri Gang and the CIA," in Rhodri Jeffreys-Jones and Andrew Lownie (eds.), *North American Spies* (Edinburgh, 1991), pp.122-142, at p.130

<sup>78</sup>Richard Harris Smith, *OSS: The Secret History of America's First Central Intelligence Agency* (New York, 1972), p.365.

<sup>79</sup>Millis, *Forrestal Diaries*, pp.289-292; Darling, *Central Intelligence Agency*, p.264.

<sup>80</sup>Darling, *Central Intelligence Agency*, pp.250-256; Karalekas, *History of the CIA*, p.27.

of the State Department, and Marshall himself was well disposed towards providing policy guidance for covert operations. The Secretary of State was unwilling to accept *responsibility* for such activities, however, on grounds that their exposure would discredit the State Department itself and, more importantly, would compromise the recently articulated European Recovery Program. He therefore insisted that Truman reverse a decision taken in early November 1947 authorising that psychological warfare be directed by State.<sup>81</sup>

In essence then, the CIA took operational responsibility for the United States' covert action programme as a consequence of Marshall's fear of exposure. The considerable degree of flexibility that the agency had been afforded through the passage of the National Security Act made it the organisation best placed to house such a capacity, at least for the time being. There was, as well, an urgent need for Washington to act, in the shape of leftist political disruption in France and the potential for a communist-dominated alliance gaining power through electoral means in Italy. It was to counter the latter prospect that official sanction was given for the CIA to conduct psychological warfare operations with the authorisation of NSC 4/A.<sup>82</sup>

How much authority this directive gave for the agency to engage in covert action was in fact a contentious issue. The CIA's General Counsel Lawrence R. Houston advised an already cautious Hillenkoetter that neither NSC 4/A nor the National Security Act constituted congressional authorisation for the agency to spend money to influence a foreign election result.<sup>83</sup> Still doubtful of the agency's position, Hillenkoetter sought a direct order from the president before committing the CIA to an extensive covert action project. Truman, however, would not give a direct order, preferring instead to endorse the idea that if the National Security Council (NSC) affirmed its own authority to sanction covert action then he was prepared to go along with it.<sup>84</sup>

The point is that nowhere was it stipulated in the National Security Act that the NSC, which was essentially an advisory and coordinating body, had any power to order the

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<sup>81</sup>Karalekas, *History of the CIA*, pp.27-28; Memo of Discussion at 2nd Meeting of the NSC, 14 Nov. 1947, *FRUS: Intelligence Community, 1945-50*: 637-638.

<sup>82</sup>*Church Report*, Bk.1, p.144; Report by the National Security Council on Coordination of Foreign Information Measures, *FRUS: Intelligence Community 1945-50*: 640-642.

<sup>83</sup>Darling, *Central Intelligence Agency*, p.248-250.

<sup>84</sup>Corson, *Armies of Ignorance*, p.296.

CIA to conduct political operations. Constitutional responsibility for the authorisation of such activities rested squarely and solely on the shoulders of the president, and simply could not be delegated to the NSC, regardless of the fact that Truman was one of the Council's members.<sup>85</sup> In short, the issue of whether or not the CIA was permitted to conduct covert action depended on how the CIG's original charter, the National Security Act, and NSC 4/A were interpreted. On this count, Vandenberg had displayed far more flexibility and far fewer scruples than Hillenkoetter in performing the "functions and duties that the President and the National Security Council (or NIA in the CIG's founding charter) might from time to time direct."<sup>86</sup>

These arguments aside, Hillenkoetter's sensitivity to the legalities of covert action was swept aside in the face of the political threat posed to American interests by communism in Western Europe. A CIA clandestine operation was to be deployed as a key instrument of containment and statecraft for the first time and Italy was to be the agency's first official stamping ground.

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<sup>85</sup>*ibid*, p.297.

<sup>86</sup>*Church Report*, Bk.1, p.101, quote on pp.143-144

CHAPTER 2  
ITALY 1947-1948  
SECURING A EUROPEAN STRONGPOINT

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The period 1947 to 1948 saw the Truman administration playing for increasingly high stakes in an Italy which had become a microcosm of the wider Cold War conflict. Ideological and strategic imperatives dictated that the United States must retain Italy within the western sphere, but the principal challenge to this objective was of a *political* kind, resting as it did with the Communist-Socialist Popular Front or People's Bloc.<sup>1</sup> In response, the Truman administration utilised political instruments to combat the threat, and in the process gave official authorisation for the CIA to conduct a full-scale covert operation for the first time. The agency's Italian campaign was to stand out as a model of how psychological warfare, when integrated with more overt American programmes, could be deployed to great effect.

From Washington's perspective, Italy's centre-right Christian Democratic party (DC) had to prevail in the country's national elections of April 1948. A victory at the ballot box for the radical-left would have severely undermined wider American efforts to reshape Western Europe in a democratic mould and in Truman's estimation would have raised the potential for "the iron curtain to [advance as far as] Bordeaux, Calais, Antwerp, and The Hague."<sup>2</sup> The fears that the president articulated exaggerated the threat posed by the Popular Front and overestimated the intentions not to mention the capabilities of the Soviet Union. Nevertheless, his concerns reflected the mood of the times and were highlighted in greater detail at the Anglo-American "Pentagon Talks" during October and November of 1947.

Here allied military planners took cognisance of the fact that Italy's position in the Mediterranean meant that the country was of enormous strategic value, for it dominated the Near East and flanked the Balkans (see appendix 1). Consequently, the

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<sup>1</sup>CIA Review of the World Situation as it Relates to the Security of the U.S., 12 Feb. 1948, Central Intelligence Reports, folder 1948-1950 (1 of 2), box 251, Intelligence File, PSF, Truman Papers, HSTL.

<sup>2</sup>Harry Truman to Elizabeth Wallace Truman, 30 Sept. 1947, in Robert H. Ferrell (ed.), *Dear Bess: The Letters from Harry to Bess Truman, 1910-1959* (New York, 1983), pp.550-551.

security of the entire region would be greatly endangered if the People's Bloc were to win power and allow the Russians to take control. Equally crucial was the offensive imperative, for Italy was of key value as a forward base for eastward air strikes should war come.<sup>3</sup> It was with these geopolitical concerns in mind that covert action emerged in late 1947 and 1948 as "a logical and at the time commendable extension of the policy of containment."<sup>4</sup> Under such conditions the CIA mounted its first officially-sanctioned clandestine operation and in the process played an integral part in making certain that Italy was retained and secured as a European strongpoint.

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### THE ITALIAN POLITICAL LANDSCAPE 1945-1947: A CASE OF CONTINUOUS POLARISATION.

Historian Piero Barucci characterised the years from April 1945 to May 1947 as an "heroic period" in Italian history:<sup>5</sup> a short interval when real opportunities presented themselves for the reconstruction of a country that had become bitterly accustomed to two decades of ramshackle, corrupt Fascist dictatorship, and five years of war.<sup>6</sup> These opportunities went largely unrealised, however, and the political development of Italy in the aftermath of World War II was a story of steady polarisation, fuelled by short-sighted economic policies which benefited the rich *quattro partito*, alienated the poor, and led to an increase in support for the parties of the far-left – notably the Communists.

The postwar reconstruction of Italy was, even at the most optimistic of estimates, a formidable task that depended on: (1) the economic reconstruction of the country through the restoration of production and the stabilisation of the internal monetary situation; (2) the promotion of social stability, most especially through the rectification

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<sup>3</sup>"The American Paper," (Memo. for the Pentagon Talks of 1947), *FRUS 1947*. Vol.5:575. The strategic dimension of holding Italy was instrumental in the NSC's decision of February 1948 to escalate the already proactive American involvement in Italian election campaign. See NSC 1/2, *FRUS 1948*, Vol.3: 765-769 and Jeffreys-Jones, *CIA and American Democracy*, p.50.

<sup>4</sup>Mary McAuliffe address to conference entitled "The Origins and Development of the CIA in the Administration of Harry S Truman," 17 March 1994, p.7, HSTL.

<sup>5</sup>John Lamberton Harper, *America and the Reconstruction of Italy, 1945-1948* (Cambridge, 1986), p.4.

<sup>6</sup>David Hine, *Governing Italy: The Politics of Bargained Pluralism* (Oxford, 1993), pp.16-24.

of the longstanding disequilibrium between the relatively advanced north, and the rural and politically-backward south; and (3) the establishment of a parliamentary democracy.<sup>7</sup> By any measure, the realisation of these closely interconnected objectives could only occur after elections for a constitutional assembly and the resolution of the institutional question, which was rectified in June 1946 when a majority of the electorate rejected the monarchy and voted for Italy to become a republic.

From the final months of the war Italy had been led by a disparate and unstable coalition of resistance groupings appointed by the allies, and inherent instability continued to pervade Italian political life after the Constitutional Assembly elections.<sup>8</sup> In reflecting the electoral balance, the government formed by Alcide De Gasperi, leader of the Christian Democrats, in July 1946 included Communists and Socialists in several of its ministries. This was despite the fact that the Popular Front – an alliance of the Communist and Socialist parties (PCI and PSIUP) – was vehemently opposed to, if not all of the DC's policies then certainly those that it introduced to remedy the country's economic malaise.<sup>9</sup>

During the middle to latter months of 1946 De Gasperi appointed two successive Treasury Ministers, Epicarmo Corbino and Luigi Einaudi, who took markedly different approaches to tackling Italy's economic difficulties. An orthodox liberal, Corbino was appointed in July 1946 and implemented laissez faire policies which failed, leading to his resignation and replacement by Einaudi the following September. Einaudi's implementation of a deflationary economic strategy proved, if anything, even more negative in that it slowed down production, increased unemployment, and created a recession.<sup>10</sup>

The strategies adopted by Corbino and Einaudi acted as a crucial dynamic in dividing Italian society, for the cumulative hardships that these policies brought caused growing numbers of alienated workers to look to the protection of, and identify more closely

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<sup>7</sup>Harper, *America and the Reconstruction of Italy*, p.20, pp.3-4.

<sup>8</sup>James E. Miller, *The United States and Italy, 1940-1950: The Politics of Diplomacy and Stabilization* (Chapel Hill and London, 1986), pp.154-159.

<sup>9</sup>James E. Miller, "Taking Off the Gloves: The United States and the Italian Elections of 1948," *Diplomatic History* 6(Winter 1983): 35-55, at 37.

<sup>10</sup>Harper, *America and the Reconstruction of Italy*, pp.88-91, pp.122-139.

with, the Communist party. In response, the PCI used its position in government and, more importantly, its dominant role in the *Confederazione Generale Italiana del Lavoro* (CGIL) – which was established in 1944 and incorporated all three mass parties – to fight for measures directed at creating a positive reputation for the Communists as defenders of working class interests.<sup>11</sup> The upshot was that PCI membership mushroomed from a reputed 500 thousand in 1944 to 1.6 million in 1946 and 1.8 million the following year.<sup>12</sup>

The growing strength of the left was reflected in the municipal elections of November 1946, which resulted in a considerable fall in support for the DC, and led to an intensification of calls from the right for the expulsion of the Popular Front from government. De Gasperi delayed following such a course for several reasons, however, the most prominent of which related to the general strategy being pursued by the PCI.<sup>13</sup>

Neither the Communist leadership nor its Socialist counterpart saw a revolutionary situation as existing in Italy. The decision to act jointly through the Popular Front had much to do with a shared perception that it was division on the left which had allowed Mussolini to take power, and therefore had more to do with the lessons of the past than with plans for the future. Italian Communist leader Palmiro Togliatti's objective was, to use his own words, aimed at opening the way for "a gradual transition to progressive democracy," and he took an essentially moderate stance on most of the questions that confronted him.<sup>14</sup> Most significantly, Togliatti and Socialist leader Pietro Nenni accepted Christian Democrat demands that the Constitutional Assembly have the limited function of drafting a new constitution – completed in January 1948 – rather than act as a parliament with full legislative powers, which was what the PCI and

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<sup>11</sup> Donald L.M. Blackmer, "Continuity and Change in Postwar Italian Communism," in Donald Blackmer and Sidney Tarrow (ed.), *Communism in Italy and France* (New York, 1977), pp.37-38.

<sup>12</sup> Alfonso Passigli, *Patterns of Political Participation in Italy* (New Haven, 1970), p.110.

<sup>13</sup> Ivan M. Lombardo, OH 423, pp.9-10, HSTL; Ronald L. Filippelli, *American Labor and Postwar Italy: A Study in Cold War Politics* (Palo Alto, California, 1989) pp.70-71, p.80.

<sup>14</sup> Palmiro Togliatti, *On Gramsci and Other Writings* – edited by Donald Sassoon (London, 1979), pp.31-32.

PSIUP had initially argued for.<sup>15</sup> The left thus acquiesced to allowing De Gasperi to rule by decree.

In many respects, then, De Gasperi believed the Communists and Socialists to be less threatening in government than outside of it. At the same time, the Italian premier was also well aware of the need to expel the left from his coalition, but he was extremely alert to the fact that such a move needed to be executed with impeccable timing. To have acted before a peace treaty had been settled would have amounted to an open invitation for the Soviet Union to impose stringent terms on Italy. De Gasperi was thus precluded from moving before February 1947.<sup>16</sup> The DC leader, moreover, needed to be confident of securing the necessary input of American economic aid and political commitment to enable him to cope with the inevitable backlash that the expulsion of the left would bring. Though an Export-Import loan obtained through a visit by De Gasperi to the United States in January 1947 was encouraging, it was not sufficient to force the Italian's hand. Nor was the defection of Giuseppe Saragat's rightward leaning Socialists from the PSIUP camp during the same month.<sup>17</sup>

Only after the Truman Doctrine speech and, more importantly, the announcement of State Department intentions to investigate "the needs for the immediate and longer run stabilisation of the Italian economy" did De Gasperi see conditions as being ripe.<sup>18</sup> He therefore expelled the Communists and Socialists in May 1947: a case of fortunate timing, for in acting a month before Marshall's Harvard speech which articulated Washington's intentions to initiate the ERP, the Italian premier limited the potential for the left to label him as an American puppet.<sup>19</sup>

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<sup>15</sup>Joan Barth Urban, *Moscow and the Italian Communist Party: From Togliatti to Berlinguer* (London, 1986), pp.19-22.

<sup>16</sup>Lombardo, OH 423, pp.10-11, HSTL (Lombardo was a key member of the Italian delegation at the peace treaty negotiations); Norman Kogan, *A Political History of Italy: The Postwar Years* (New York, 1983), p.41.

<sup>17</sup>Secr. of State to Acting Secr of State, 9 Dec. 1946, *FRUS 1947* Vol.3: 837-843; De Gasperi to Truman, 8 Jan. 1947, *ibid*: 851-852. In January 1947 Saragat founded the Italian Socialist Labour Party (hereafter referred to as the Social Democrats or PSLI). At this juncture the Italian Socialist Party of Proletarian Unity (PSIUP) changed its name to the Italian Socialist Party (PSI).

<sup>18</sup>Kennan Telegram to US Embassy in Rome, 25 April 1947, *ibid*: 846-847.

<sup>19</sup>Marshall's radio announcement, U.S. Department of State, *Department of State Bulletin 1947*, Vol.19 (11 May 1947): 919-924 (hereafter cited as DSB); Lombardo, OH 423, pp.11-12, HSTL.

More significantly than thwarting Togliatti's ambitions, the termination of PCI participation in government signalled a failure of Soviet designs. Stalin's broader European objectives were governed, in brief, by an overriding desire to secure the Soviet Union's position in the East and minimise threats from the West. The presence of the Italian Communist party cooperating in a coalition of national unity and displaying moderation greatly assisted these objectives, for it encouraged the perception that Western Europe had nothing to fear from the left.<sup>20</sup> Innocence by association of this kind in turn heightened the prospect of a speedy and complete American disengagement from Europe, the fulfilment of which stood at the head of Stalin's wish-list. Togliatti was, it is true, repudiated at the formation of the Cominform in September 1947, for the "opportunism of conciliation" inherent in his policies. Nevertheless, until the previous May the PCI leader's strategy received Stalin's blessing and harmonised perfectly with Russian objectives.<sup>21</sup>

The situation changed fundamentally after May and especially June 1947, for the announcement of the Marshall Plan signalled a Europe-wide ideological division, and the PCI henceforth had to take a stance that would complement a more belligerent Soviet line. The same criteria would have applied even if the May expulsion had not occurred, for Communist parties outside of the Russian sphere became stigmatised by the United States and the western allies to whom Marshall had pledged support through the ERP.<sup>22</sup> The corollary was that the continuation of the PCI in government would simply have been incompatible with Italian receipt of American aid after this point.

With the Communists deploying their power over the CGIL to call political strikes throughout the autumn and winter of 1947, in defiance of the De Gasperi government, Italy had become a theatre of superpower conflict. The fault lines dividing Italian society now widened to the point where some in the Truman administration feared the possibility of insurrection. Though privately De Gasperi did not share these fears, he certainly exploited them, hoping that such a ploy would attract more American aid.<sup>23</sup>

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<sup>20</sup>Blackmer, "Continuity and Change," pp.40-45.

<sup>21</sup>Urban, *Moscow and the Italian Communist Party*, p.221.

<sup>22</sup>George Elsey, OH 128, Vol.2, pp.363-364, HSTL.

<sup>23</sup>PPS/13, "Resume on the World Situation," 6 Nov. 1947, *FRUS 1947* Vol.1: 771; Harper, *America and the Reconstruction of Italy*, p.149.

The United States thus raised its profile and prepared to take a still more active role in Italian affairs.

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#### TRUMAN'S POLICY IN ITALY, 1946 TO LATE 1947

The rise of the Italian left was the cause of growing concern for the United States. The Truman administration deduced from Togliatti's duplicity in taking a moderate line as Minister of Justice while simultaneously resorting to inflammatory rhetoric to organise strikes against government inaction from the summer of 1946, that the PCI was something of a fifth column. Industrial action of this kind, American policymakers feared, pointed the way towards a revolution that could detach Italy from the western sphere.<sup>24</sup> Washington understood, moreover, that the surest way to diminish the appeal of Popular Front was to ameliorate Italy's difficult economic conditions through the input of American aid. However, the scale of economic assistance necessary to remedy Italy's plight was not forthcoming up to mid-1947, largely because a fiscally conservative Congress tied Truman's hands.<sup>25</sup>

A major revision in the American position took place after April 1947 when Marshall returned from the Council of Foreign Ministers conference in Moscow having failed to reach any agreement with the Soviet Union on the question of Germany. This was a defining moment in postwar history, for it was at this juncture that American plans for integrating German economic recovery with that of Western Europe as a whole were set in motion. From the late summer of 1947 concerns grew in Washington that the focus of the Cold War had moved from Germany to Italy. Temporary American intervention in Italian affairs was now deemed necessary to ensure that De Gasperi's government survived the critical months until Marshall Aid became available and took effect.<sup>26</sup>

The logic that informed the Truman administration during the critical autumn months of 1947, then, placed developments in Italy within the context of wider European

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<sup>24</sup>Harper, *America and the Reconstruction of Italy*, p.111.

<sup>25</sup>Minutes of the Fifteenth Meeting of the National Advisory Council on International Monetary and Financial Problems, *FRUS 1946*, Vol.5: 894-897.

<sup>26</sup>Miller, *US and Italy*, pp.227-238.

policy. Kennan's Policy Planning Staff, which had been established in the State Department during the previous April, forecast that Moscow would orchestrate a comprehensive effort to derail the ERP. Possible Soviet moves that the PPS predicted were: (1) a tightening of the Russian grip over Eastern Europe; (2) a clampdown in Czechoslovakia; and (3) resort to civil war by the French Communist party and the PCI once allied troops had withdrawn from Italy, which under peace treaty provisions was scheduled for 5 December 1947. The fact that the People's Bloc actually was engineering a campaign of strikes and social agitation throughout the latter months of 1947 gave this analysis added resonance. Washington interpreted Togliatti's actions as following assiduously the tactics that the Kremlin prescribed.<sup>27</sup>

Taking cognizance of all of these factors and earlier PPS recommendations for strengthening De Gasperi's position and countering the Popular Front, Truman approved the first directive to be issued by the National Security Council, NSC 1/1, on 24 November 1947. While it was subjected to two revisions according to changes in Italy itself and wider Cold War developments during early 1948, NSC 1/1 provided the basic analyses and guidelines on which Washington's overall programme for countering the far-left in Italy was based. Advocating American deployment of all practicable means possible to shore up De Gasperi, the Truman administration directed that overt measures such as "an effective U.S. information program," be used in conjunction with the injection of "unvouchered funds" into the anticommunist effort and the deployment of a clandestine information/disinformation campaign.<sup>28</sup> It was to meet with this requirement that the president authorised NSC 4/A on 14 December 1947, placing responsibility for psychological warfare with the CIA.

What must be understood, however, is that covert action played a relatively limited role in securing De Gasperi's electoral victory in 1948. It was not, for instance, until the approval of NSC 1/3 in March 1948 – much of which remains classified – that explicit authorisation for covert funding of the Christian Democrats and the PSLI was granted. The CIA's psychological warfare and political funding programme can

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<sup>27</sup>PPS/13, "Resume of the World Situation," 6 Nov. 1947, FRUS 1947, Vol.1:770-777; Memo. from Hillenkoetter to Truman, "Significance of the Establishment of the Communist Information Bureau," 10 October 1947, Memos. for the President and the DCI, 1947 folder (2of 2), box 254, PSF, Truman Papers, HSTL.

<sup>28</sup>NSC 1/1, "Concern of the United States for the Safeguarding of the Territorial Integrity and Internal Security of Italy," 14 November 1947, FRUS 1948, Vol.3: 724-726.

therefore only be placed in context by first examining the larger overt strategy it was designed to complement.<sup>29</sup>

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#### OVERT AND ACTIVIST: ANTICOMMUNIST CAMPAIGNING AMERICAN STYLE

The overt campaign pursued by the United States in the run-up to the Italian elections hinged on the achievement of two basic objectives. The first was focused on optimising the strength and appeal of the democratic anticommunist parties and convincing the Italian electorate that the choice it faced in April 1948 was an ideological one in which the only option was to vote in a way that secured the country's future within the western bloc. Closely mirroring this aim was the second element of the American programme. This was directed at alerting the Italian populace to the dangers of voting for the far-left, and at sowing discord both between the Soviet Union and the PCI-PSI alliance and also within the People's Bloc itself. Crucial to the overall American strategy was the portrayal of the United States as patron, friend, and guarantor of Italian democracy, and the Truman administration was dextrous in its application of all means at its disposal to ensure that its message struck home to maximum effect.

The most visibly deployed instrument in Washington's containment arsenal during the Italian campaign was economic aid. On 17 December 1947 Truman signed an interim aid package which, in essence, was a short-term palliative aimed at injecting essential raw materials and foodstuffs into the Italian economy, thereby diminishing the incentive for the man in the street to vote Communist.<sup>30</sup> The economic instrument did not operate in isolation, however. It was complemented by a second strand in the Truman administration's Italian programme, namely the use of the United States military presence in the Mediterranean region to signal American resolve to retain Italy within the western sphere and so influence Stalin into placing constraints on PCI action.<sup>31</sup> When American troops finally withdrew from Italy on 14 December 1947, for example, the United States mounted air and naval manoeuvres in the Adriatic and

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<sup>29</sup>*ibid*; NSC 1/3, "The Position of the United States with Respect to Italy," *FRUS 1948* Vol.3: 775-777.

<sup>30</sup>Miller, *US and Italy*, p.192; Harper, *America and the Reconstruction of Italy*, pp.151-152.

<sup>31</sup>Acting Sec. of State to Sec. of the Army, *FRUS 1948*, Vol.3: 729.

the Mediterranean. This demonstration of military power backed up a public proclamation by the State Department, issued the same day, that Washington would not allow Italian democracy to be overthrown by force. The fact that the violence and disruption in Italy waned considerably after this point suggests that this tactic achieved its desired effect on the Soviet Union and the PCI.<sup>32</sup>

An additional plank in the American strategy saw Washington work to forge the principal noncommunist forces in Italy into a coalescent alliance. In November 1947 the United States exerted pressure on the Italian Republican party and the PSLI to join the Christian Democrat-led coalition. The inclusion of these moderate groupings in government freed De Gasperi from the need to rely on the neofascist parties.<sup>33</sup> This was of great benefit to the Italian premier, for it permitted him to construct a campaign platform which hinged on portraying the political future of Italy as resting on a straight choice between freedom and totalitarianism. Such an approach would simply not have been credible if De Gasperi had continued to rely on the support of the far-right.

If De Gasperi and his American allies presented the options open to Italians in a secular light, then the Catholic church provided a religious dimension to the issue. From September 1947 Vatican spokesmen played on the consciences of religiously-inclined Italians whose political sympathies tended towards the Popular Front, by stating that it was impossible to belong to the Communist party and remain a member of the church. Italians simply had to choose between atheism and Christianity. Given the traditions of the country, this was a powerful message that carried damaging consequences for the prospects of the radical-left. The Vatican's tactics were, moreover, closely coordinated with those of the United States. When, for instance, a minority among the Catholic clergy dissented from the church's political line, the Vatican, at American instigation, prevented these priests from making their support for the PCI-PSI public, thereby keeping this element of the overall anticommunist strategy airtight.<sup>34</sup>

Creating division within the Socialist party itself and between the PSI and PCI was a further American objective. The assumption was that the Cominform placed Togliatti

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<sup>32</sup>Miller, *US and Italy*, pp.241-242

<sup>33</sup>*ibid*, p.236-237.

<sup>34</sup>*ibid*, p.237, p.244.

in an untenable position, for it caused fissures in the ranks of the Socialists and diminished the potential for future collaboration between the two parties. The American line, then, was not to do anything that intruded on private grief. The decision of the PSI and PCI in December 1947 to fight the election as a single entity, however, signalled that this approach had backfired.<sup>35</sup>

Despite the efforts of the United States, the Christian Democrats, and the Vatican, the far-left was gaining considerable ground during January and February 1948 by playing on the country's economic difficulties and arguing that Italy was in danger of becoming an American satellite state. Indeed, the United States Ambassador in Rome, James C. Dunn, maintained that Togliatti and Nenni were refraining from revolution because they expected to win a political triumph in April, and the victory of the left in local government elections at Pescara on 17 February was widely interpreted as a precursor to the national vote.<sup>36</sup> A complete reversal of De Gasperi's fortunes took place on the very day that the Pescara result was announced, however, for it was at this point that a crisis began in Czechoslovakia which prepared the way for a Communist coup in that country seven days later.<sup>37</sup> Though on the surface the Czech coup intensified the Cold War, it afforded Truman the ideal opportunity to increase domestic support for the Marshall Plan and signal, in his war scare speech, exactly where the demarcation lines between the American and Soviet spheres of influence in Europe lay. This had a profound effect on the situation in Italy.<sup>38</sup>

The revision of American strategy outlined in NSC 1/2, which was issued on 20 February 1948, presented the United States as facing two very unwelcome prospects in Italy. On the one hand, the People's Bloc could win power by popular suffrage. This was the worst case scenario since it would mark the first real extension of Soviet territorial control since 1945, and it would be done by legal procedure. On the other hand, De Gasperi could win the election but face insurrection and possibly civil war. This was actually seen by Kennan as preferable to a bloodless Communist electoral victory.<sup>39</sup>

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<sup>35</sup>Dunn to Marshall, 21 Jan. 1948, *FRUS 1948* Vol.3: 819-822.

<sup>36</sup>Dunn to Marshall, 7 Feb. 1948, *ibid*, 827-830.

<sup>37</sup>Lombardo, OH 423, pp53-54, HSTL.

<sup>38</sup>Special Message to the Congress on the Threat to the Freedom of Europe, 17 Mar. 1948, *Truman Public Papers*, 1948, pp.183-186.

<sup>39</sup>NSC 1/2, *FRUS 1948*, Vol.3: 765-769

Once the coup in Czechoslovakia was completed, however, Truman's room for manoeuvre was greatly increased. He could now claim that Italy was succumbing to the same type of subversion that had delivered Czechoslovakia into Soviet hands, and thereby justify American military intervention to bolster De Gasperi. Should Stalin have been intent on supporting the PCI to the full he would have needed to contemplate war, which was simply not worth the risk.

With the authorisation of NSC 1/3 on 8 March 1948 the Truman administration intensified, and added a number of elements to, its overall strategy in Italy.<sup>40</sup> From this juncture the United States began to make diplomatic moves in close collaboration with Britain and France to demonstrate that it was the western powers and not the Soviet Union which acted in Italy's best interests. Two joint statements issued by the allies in March 1948 were illustrative of this tactic at work. The first pledged the eventual return of Trieste to Italy and the second urged Italian membership of the United Nations.<sup>41</sup>

Both of these proposals put the Soviet Union in a difficult position. Russian support for the return of Trieste to Italy would upset the Yugoslavs, but by opposing the Italian claim shortly before the election, Stalin would severely damage Togliatti's chances of success. Equally perplexing was the issue of United Nations membership. The Russians had consistently refused to contemplate Italian admission to the UN without simultaneous consideration being given to other former enemy states, notably Bulgaria and Rumania. In the final analysis the balance of Soviet interests weighed in favour of opposing Italian and allied wishes on both counts. In the process Stalin enhanced, albeit reluctantly, the prospects of De Gasperi, whose campaign was already gathering near unstoppable momentum as a result of the Czech coup.<sup>42</sup>

As the election drew closer the United States continued to utilise both incentives and inducements in order to persuade Italians to follow an anticommunist line. A second interim aid package was, for instance, passed swiftly by Congress as a visible display

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<sup>40</sup>NSC 1/3, *ibid*: 775-777.

<sup>41</sup>Department of State to the Embassy of the Soviet Union, 20 March 1948, *FRUS 1948*, Vol.3: 517-518; Secretary of State to Austin, 12 March 1948, *FRUS 1948*, Vol.1: 173.

<sup>42</sup>"CIA Review of the World Situation, 12 Feb. 1948, Central Intelligence Reports folder 1948 (1 of 2), box 25, Intelligence File, PSF, Truman Papers, HSTL.

of American good faith, and more importantly to ensure that the economic instrument of containment remained firmly in place. At the same time, Marshall went so far as to announce that the United States would cut off ERP funds to Italy in the event of a Communist victory.<sup>43</sup>

To complete the overall assault on the hearts and minds of the Italian public, the Truman administration made full use of the Italy lobby. Amongst the array of initiatives launched from this quarter was the dispatch of gifts and letters from the United States to Italy. Here the emphasis was placed on the close personal links between the two countries, the threat posed by communism generally, and the perilous consequences that would accompany a victory by the Popular Front. Alarmist as they were, these tactics struck "with the force of lightning."<sup>44</sup> No shades of grey were evident in the western media campaign, the Christian Democrats' electoral platform, or the pronouncements of Pope Pius XII. The choice was between freedom and totalitarianism, between atheism and Christianity; and the Czech coup stood as a clear reminder of where Italian loyalties should be directed in what had essentially become a referendum on communism.

The Christian Democrats emerged from the election of 18-19 April 1948 with 48.5 percent of the vote and an absolute majority in parliament (see appendix 2). Open and extensive intervention by the United States had played a pivotal role in bringing this about. What was not apparent at the time, however, was that De Gasperi's cause had also been advanced by a covert counterpart that paralleled the outward support that Washington provided.<sup>45</sup>

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#### **THE METHODOLOGY OF DEFENSIVE COVERT INTERVENTION: THE ITALIAN MODEL**

The CIA's Italian campaign was initiated with the authorisation of NSC 4/A and is recorded as having been the agency's first official covert action venture.<sup>46</sup> It was

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<sup>43</sup>Miller, Taking "Off the Gloves," 35-55; *DSB*, 21 (28 March 1948): 424.

<sup>44</sup>Lombardo, OH 423, pp.55-56, HSTL; William Blum, *The CIA: A Forgotten History. U.S. Global Interventions Since World War II* (London, 1986), pp.25-26, quote on p.26.

<sup>45</sup>See appendix 2, table 2 for details of the 1948 election result.

<sup>46</sup>NSC 4/A, 17-Dec. 1947, in Warner, *CIA Cold War Records*, pp.173-176.

mounted with little time to spare and it demonstrated the efficacy of the "silent option" in the climate of what was now the Cold War. What contributed to the programme's success was that James Jesus Angleton, who was head of all SSU/OSO operations in Italy from December 1945 to November 1947 and who before that served as X-2's chieftain in the country, had been working consistently against the PCI and its allies for well over two years prior to the DC's victory. Together with his principal assistant, Raymond Rocca, Angleton achieved an intricate understanding of, and influence over, Italian political life.<sup>47</sup> In the process he established the necessary channels of intervention through which the CIA was able to act quickly and effectively in support of De Gasperi in 1948.

To understand the James Angleton of 1945 to 1948 is to put aside the depiction of him in Tom Mangold's biography: the portrayal of Angleton as the ideologically-driven CIA counterintelligence supremo from the 1950s to the early 1970s who, in reaction to the discovery of the Philby betrayal, raised unfounded suspicions about Soviet penetration of the agency which damaged its confidence and standing, and led ultimately to his own dismissal.<sup>48</sup> Described by William Quinn as "the finest counterespionage officer the United States has ever produced," Angleton was awarded the Legion of Merit for his service in the OSS during World War II.<sup>49</sup> As the war against Hitler was ending, however, Angleton targeted his attentions on new enemies, most specifically Italy's "nascent Communist networks." Despite the enormous global-political changes that were occurring at the time it was, in effect, a case of business as usual for the X-2 chief and his colleagues.<sup>50</sup>

Italy's security forces were reorganised under the partial supervision of the OSS after 1944 and were mandated to put their organisational resources at the disposal of the allied occupation forces until 1946.<sup>51</sup> While close intelligence liaison continued

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<sup>47</sup>Angleton's appointment as head of SSU Italy, entry 108A, RG 226, box 268, NA; Winks, *Cloak and Gown*, pp.383-386.

<sup>48</sup>Tom Mangold, *Cold Warrior, James Jesus Angleton: The CIA's Master Spy Hunter* (New York, 1991), pp.63-70.

<sup>49</sup>Winks, *Cloak and Gown*, p.372, p.352.

<sup>50</sup>Mangold, *Cold Warrior*, p.20.

<sup>51</sup>Max Corvo, *The OSS in Italy 1942-1945: A Personal Memoir* (New York, Westport Connecticut, and London, 1990), pp.276-277; Richard Harris Smith, *OSS: The Secret History of America's First Central Intelligence Agency* (New York, 1973), p.116, p.98; Naftali, "ARTIFICE," p.224.

between the United States and Italy before and indeed long after this point, the latter country's five intelligence services developed their own political and professional agendas, and Angleton saw it as being in American interests to monitor their activities. In the pursuit of this objective he cultivated an informant inside of Italian Naval Intelligence codenamed SAILOR, who revealed details of meetings between the Italian and Soviet intelligence services and, in the autumn of 1945, turned over files detailing his meetings with a Russian operative in Istanbul. The prospect of an American penetration of Soviet intelligence was thus enhanced.<sup>52</sup>

The SSU/OSO Rome station utilised penetration tactics such as this in conjunction with official liaison arrangements. During early 1945, for instance, Angleton received a series of reports from the Italian Servizio Informazioni Segreta (SIS), which centred on the dangerous potential for a communist insurgency in Italy. The following year Italian Naval Intelligence's cryptographic service provided him with a partial reconstruction of a Yugoslav cipher. The SSU/OSO's ability to decode messages sent by the Russians to their field agents in Italy and elsewhere in the Mediterranean was consequently increased. More generally, Italy's intelligence services had long experience of working against their Soviet counterparts and shared information with the CIG/CIA on cases going back long before the war. Taken together, these activities and arrangements proved instrumental in enabling the OSO to piece together a composite picture of the far-left in Italy and the threat that it posed.<sup>53</sup>

Angleton, then, "knew his parish extremely well." He was, moreover, reported to have been prepared to go beyond his brief and act on the information he received long before official sanction was granted for the CIA to conduct covert psychological warfare. He is alleged, for example, to have filled the coffers of the Rome *Daily American*, a pro-De Gasperi English language newspaper founded in 1946.<sup>54</sup> Entertaining few scruples, he also sought to recruit ex-fascists such as Lieutenant Colonel Antonio Pignatelli and his wife Maria to the anticommunist cause. The Pignatellis had been double agents during the war, betraying OSS operations to the Axis powers. They were arrested but no proceedings were brought against them, largely because Antonio Pignatelli had organised a political intelligence network in

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<sup>52</sup>Naftali, "ARTIFICE," pp.224-230.

<sup>53</sup>*ibid*, pp.220-227.

<sup>54</sup>Winks, *Cloak and Gown*, p.372, p.380.

southern Italy which Angleton sought to revamp as an SSU asset and use against the communist underground.<sup>55</sup>

The recruitment of ex-fascists and Nazis by the CIA became commonplace once responsibility for covert action had passed to the control of the OPC and will be discussed at greater length in the next chapter. In regard to early operations in Italy, Pignatelli appears not to have been the only former enemy that the CIG/CIA toyed with using. The *Washington Post* reported in January 1947 that Lieutenant General Renzo Montagna, chief of the Fascist Republican Police and once named as Mussolini's successor, had been permitted to "escape quietly" from allied custody by "a senior intelligence officer" and was then helped by "influential friends to establish a new identity."<sup>56</sup> No record exists of high level former enemies of this kind playing any role in American efforts to counter the People's Bloc. The fact that such contingencies may have been considered, however, underlined the necessity for any clandestine initiative orchestrated by the United States to be concealed. In this respect, the CIG/CIA was able to draw on the labyrinthine system of contacts that had been set up during the war by the OSS.

The most notable precedent of wartime cooperation to be continued after the cessation of hostilities was the near-symbiotic relationship that existed between elements of America's intelligence community and the country's two major labour organisations – the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO). The OSS, for instance, provided the necessary channels for the AFL to fund its Europe-wide antifascist network, which in turn benefited the allied war effort.<sup>57</sup> Even before hostilities had ended, the AFL was, at its 1944 convention, giving unambiguous expression to the view that the Soviet Union had already displaced Nazi Germany as democracy's primary adversary. To counter the perceived Russian threat, the AFL transferred control of its European contacts, the preponderance of whom were anticommunists as well as antifascists, to a new body – the Free Trade Union Committee (FTUC). Under the direction of Jay Lovestone, one-time leader of the

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<sup>55</sup>Anthony Cave Brown, *Treason in the Blood: H. St. John Philby, Kim Philby, and the Spy Case of the Century* (London, 1995), pp.353-356.

<sup>56</sup>Michael Goldsmith, "High Duce Aide Found in Hiding," *Washington Post*, 19 Jan. 1947, HSTL.

<sup>57</sup>Federico Romero, *The United States and the European Trade Union Movement, 1944-1951* – translated by Harvey Fergusson II (Chapel Hill and London, 1992), pp.13-14; Filippelli, *American Labor and Postwar Italy*, p.36.

United States Communist Party and convert to the anti-Stalinist cause since the 1930s, the FTUC sought to combat the spread of communism and ensure that ideological kinsmen of the AFL in the European union movement were installed in positions of prominence in the postwar order.<sup>58</sup>

In taking such an approach, the AFL differed fundamentally from the American government's early postwar policy of promoting unity among the wartime allies. Yet there is some evidence of OSS-AFL cooperation being carried over to peacetime. For example, Serafino Romualdi, who was at the same time a representative of the International Ladies Garment Workers Union (ILGWU) and an OSS major, channelled AFL financial contributions into Italy until autumn 1945. The objective was to "strengthen the Socialist forces at the expense of the Communists." Though Luigi Antonini, the founder of the Italian American Labor Council (IALC), demanded that such activities be conducted openly, Romualdi maintained that union funding of this kind was a clandestine operation which, if exposed, would herald unwelcome political repercussions for the United States government.<sup>59</sup> Regardless of Washington's outward displays of support for Italy's united front governments during the final stages of the war and the immediate postwar period, then, American policymakers were eager to fracture the Popular Front and worked covertly, making full use of the labour unions in the hoped-for achievement of this goal.

Despite the absence of specific detail, a number of indicators suggest that the American intelligence services continued to collaborate closely with the FTUC in Italy between late 1945 and early 1947. To begin with, the State Department dispatched labour attachés to America's major European embassies from early 1945 onwards, and upgraded the programme to correspond to developments in the Cold War. The selection of these labour attachés was carefully vetted by Lovestone and his colleague Irving Brown, the AFL's full-time representative in Europe, to ensure that candidates with an understanding of the FTUC's operating criteria were appointed.<sup>60</sup> The point is that Lovestone and Brown applied semiconspiratorial tactics in their management of the FTUC. They also enjoyed a close and enduring relationship, particularly with fellow practitioner of the covert arts, James Angleton, and more generally with an

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<sup>58</sup>Romero, *US and the European Trade Union Movement*, pp.14-15.

<sup>59</sup>Filippelli, *American Labor and Postwar Italy*, p.38-40, p.65.

<sup>60</sup>Romero, *US and the European Trade Union Movement*, pp.50-51

American intelligence community which has been characterised as being more "fantastical and Byzantine" than any of its rivals.<sup>61</sup>

The interests of the Truman administration stood to be advanced by continued cooperation between the AFL, the State Department, and the CIG/CIA and its predecessors. Assistant Secretary of State for Economic Affairs William Clayton maintained that the United States should forward "political loans" to buoy up its allies in Italy from as early as March 1946. Great discretion and secrecy would have been essential in the pursuit of such a course, however, not least because Commerce Secretary Wallace was vocal in his objections to administration efforts to influence foreign elections.<sup>62</sup>

Under these circumstances Lovestone and Brown stood as ideal conduits through which American objectives could be achieved quietly. Certainly, Brown was working closely with the Rome embassy in conveying funds to Italy's anticommunist forces from early 1946, when the Truman administration and the AFL first began to converge in their policies towards the Soviet Union and communism generally. The initial objective was to split the PCI-PSIUP alliance. After this tactic had failed and the Popular Front pact was renewed in October 1946, a two-pronged strategy was deployed aimed at fracturing the Socialist party itself and simultaneously strengthening the position of the Christian Democrats.<sup>63</sup>

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The CIA and its predecessors also benefited from the close ties they enjoyed with the Italian business community. Indeed, James Angleton's father, Hugh, was the owner of the Italian franchise of National Cash Register (NCR) and had been president of the Italian Chamber of Commerce before the war. He had, moreover, established an unofficial American espionage network between 1939 and 1941, using the factories that NCR had dotted around Europe as listening posts and drawing on well-placed contacts in Italian business and in the country's Masonic Order, which had been banned but was still functioning in secret, for information. Recruited to the OSS

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<sup>61</sup>Mangold, *Cold Warrior*, pp.16-17; Hersh, *The Old Boys*, p.239; quote from Sayer and Botting, *The CIC*, p.318.

<sup>62</sup>William Clayton to Henry White, *FRUS 1946* Vol.5: 894-897

<sup>63</sup>Filippelli, *American Labor and Postwar Italy*, pp.71-73.

during the war, Hugh returned to Italy when hostilities ended to build on his few remaining assets.<sup>64</sup>

James Angleton was, in fact, to have joined NCR after World War II rather than remain in intelligence. There was, however, a convergence of interests where the Angletons were concerned. The son's efforts, through the SSU/OSO, to prevent the delicate political equilibrium in Italy from collapsing into revolution benefited the father in his efforts to reconstitute his business. For his part, Hugh had first-hand experience of the workings of the intelligence community himself, and being closely connected with an Italian business fraternity which, for the most part, shared his anticommunist views, was in an opportune position to canvass support for his son.<sup>65</sup> The OSO's station chief in Italy could therefore have encountered few problems in securing contacts and resources over and above those which were provided by the United States government.

In seeking expeditious liaison between private enterprise and the SSU/OSO, James Angleton was advancing his own programme, much of which still remains classified, and obtaining a necessary cloak of plausible deniability when the need arose. An additional and fundamental task of the intelligence services was, however, being performed here. In short, Angleton was in a perfect vantage point to observe the activities of the Italian and American business communities and if necessary to ensure that any propensity they had to engage in independent anticommunist action did not become counterproductive and rebound negatively on the United States. A particularly acute requirement, this was brought to Truman's attention within a week of the Italian elections. Hillenkoetter warned of increasing "incidents involving the clandestine transport of munitions" by "irresponsible privately-owned U.S. aircraft and U.S. unscheduled airlines" to areas of "extreme political sensitivity such as Northern Italy and Palestine." These activities could have only "unfavorable effects on U.S. national security," by increasing the potential strength of the PCI, "particularly in Northern

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<sup>64</sup>Winks, *Cloak and Gown*, pp.328-330.

<sup>65</sup>*ibid*, p.373; Peter Wright noted that James Angleton's share of the family National Cash Register fortune enabled him to cultivate expensive tastes that his CIA salary could not meet. See Peter Wright with Paul Greengrass, *Spy Catcher: The Candid Autobiography of a Senior Intelligence Officer* (Richmond, Victoria, 1987), p.104.

Italy." The implication was that Washington act to terminate these operations forthwith.<sup>66</sup>

As well as maintaining close links with the labour unions and the Italian and American business communities, the CIG/CIA worked in close cooperation with the Vatican. Angleton is reported to have liaised on a weekly basis during 1947 with Monsignor Giovanni Battista Montini, the future Pope Paul VI. The arrangement was that Angleton furnished Catholic Action, a large tightly managed propaganda organisation under Vatican control, with money and supplies. In return, Montini provided the OSO with information and contacts.<sup>67</sup>

The question of whether the funds and resources that Angleton supplied came directly from the United States or were diverted from his contacts in Italian and American business is a matter of speculation. A picture does, however, emerge of Angleton coordinating, or at least attempting to coordinate, the activities of all of the major anticommunist elements at work in Italy. The OSO chief's overriding objective was to diminish the strength and appeal of the far-left, while simultaneously permitting the United States to pull on the reins when independent anticommunist action became overzealous.

These activities were endorsed by Vandenberg *and* his successor. When questioning the legal parameters of NSC 4/A, Hillenkoetter did not, after all, dispute that he had the authority to continue with the CIA's media propaganda campaign. Nor was there any stipulation precluding the agency from playing a coordinating role in order to maximise the collective effectiveness of all of the key anticommunist actors in Italy. The point of contention for Hillenkoetter was essentially that nowhere in any of the legislation that pertained to the CIA was there an unambiguous provision permitting the agency to fill the coffers of a foreign political party (or parties) with funds from the American government, in order to influence an election result. To the DCI this was both unethical and dubious in a legal context, since it constituted direct interference in the internal affairs of a friendly power.<sup>68</sup>

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<sup>66</sup>Memo. for the President, the Secretary of State, and the Secretary of Defense, "Clandestine Air Transport Operations in Europe," 12 Apr. 1948 NSC-CIA Memos., 1948-1950 folder, box 3, CIA File, Records of the NSC, Truman Papers, HSTL.

<sup>67</sup>Hersh, *The Old Boys*, p.293.

<sup>68</sup>Darling, *Central Intelligence Agency*, pp.248-250.

That the Truman administration chose to override Hillenkoetter's objections, demonstrates the alarm felt in American government circles about the worsening political situation in Italy during late 1947 and early 1948. Indeed, the imperative of mounting an extensive covert action programme was regarded with such urgency that the NSC is reported never to have met as a group to ponder the merits or demerits of intervention in Italy: the continuing success of the PCI rendered the issue cut and dried.<sup>69</sup>

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During the week following the authorisation of NSC 4/A, the CIA created the Special Procedures Group to "intervene in the Italian parliamentary elections in order to prevent the Italian Communist Party from gaining a role in the Italian government."<sup>70</sup> Though he had returned to Washington in November 1947 to assist in the OSO's creation of a Soviet Division, Angleton was placed in charge of the Italian operation and liaised closely with Rocca throughout the campaign.<sup>71</sup> The fact that the SPG was established within, as opposed to outside of, the OSO proved advantageous, for the logistics of the Italian campaign demanded very close interplay between intelligence gathering and clandestine action. Some secret intelligence operatives, it is true, feared involvement in the programme might jeopardise their existing sources and so distanced themselves from Angleton's activities. The success of the operation, however, suggests that the SPG was not hindered by the type of intense rivalry that later plagued the relationship between the OSO and the OPC, and led to the eventual merger of the two components under General Walter Bedell Smith's directorship in August 1952.<sup>72</sup>

With a reported \$10 million at its disposal, the SPG mounted what was essentially a two-pronged plan, the first element of which involved the acquisition then laundering of funds through suitable conduits to the DC, PSLI, and a number of CIA-controlled

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<sup>69</sup>Corson, *Armies of Ignorance*, p.297.

<sup>70</sup>Office of Special Operations Directive No.18/5, 29 March 1948, *FRUS: Intelligence Community, 1945-50*: 655-661; Darling, *Central Intelligence Agency*, pp.262-265.

<sup>71</sup>Winks, *Cloak and Gown*, pp.383-384; Deborah Larson, address to conference entitled "The Origins and Development of the CIA in the Administration of Harry S. Truman," 17 Mar. 1994, p.23, HSTL.

<sup>72</sup>Church Report, Bk.1, p.107.

front organisations. This initially posed a problem, for the SPG had to find the necessary capital and set the mechanics of the process in motion without arousing the suspicions of government agencies, notably the Bureau of the Budget. Failure in this task would have compromised the all-important principle of plausible deniability and have given rise to searching questions being asked in Congress and elsewhere.<sup>73</sup>

The solution came with the selection of the Economic Stabilisation Fund as the source of finance. An anti-inflationary instrument established in part from confiscated Axis assets, the Economic Stabilisation Fund suited the CIA's purposes in two major ways. Firstly, it was operated and controlled under the discretionary authority of the Secretary of the Treasury John W. Snyder, who was permitted to spend its funds without reporting the details to Congress. Though Snyder was not a member of the NSC, he was a Truman confidante, which meant that knowledge of the operation remained confined to a small number of policymakers and officials. More importantly, the Economic Stabilisation Fund functioned ostensibly to ameliorate swings in the value of the American dollar and other foreign currencies. It thus operated in the world of international finance which by nature was, and indeed is, a very secretive environment. Here, money laundering of the type engaged in by the CIA could be carried out discreetly with only a very minimal risk of detection.

The actual system operated by the CIA began with \$10 million in cash being withdrawn from the Economic Stabilisation Fund. Following this, the money was laundered through individual bank accounts, the owners of which donated the funds to a number of front organisations which either purchased Italian lira or transferred the money directly to CIA-controlled assets in Italy.<sup>74</sup> Much of the SPG's Italian operation remains classified, but the identities of the actors involved in the laundering process are to an extent discernible through educated guesswork.

In March 1948, for example, the State Department listed a number of American multinationals which could be of assistance in obtaining contributions for the anticommunist cause in Italy and act as private channels for the transfer of money. Amongst these companies was National Cash Register. Also involved was IBM, the director of which was Thomas Watson who, it will be remembered, had sought to establish a private intelligence organisation between late 1945 and early 1946. Even

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<sup>3</sup> Corson, *Armies of Ignorance*, pp.298-299.

<sup>4</sup> *ibid.*

without any associations with the United States intelligence community, these companies along with others named, such as Standard Oil, General Electric, and Great Lakes Carbon, had large vested interests in Italy and were therefore prime candidates for collaboration with the CIA.<sup>75</sup>

Indeed, the American business community had, like the country's labour unions, viewed the Soviet Union as representing a threat to be countered from the end of World War II. In accordance with this outlook, several major private concerns, notably the Ford and Rockefeller Foundations, devised clandestine action plans and recruited personnel from the fields of economics, commerce, academia, and advertising, many of whom had served in the OSS, to conduct the very type of democracy-propping exercise that was now called for in Italy. These moves were not, however, made in isolation. A degree of coordination with the Truman administration was maintained through the Council on Foreign Relations (CFR), a well-heeled and highly influential association, located on Park Avenue and composed of the power elite from both inside and outside of government.<sup>76</sup> The CFR served as the principal forum through which ever closer interaction between public and private sector activities in the field of covert action was to take place throughout 1947, and several of its most prominent members, including Forrestal, Donovan, Allen W. Dulles, and Frank G. Wisner played key roles in securing private finance for the Italian operation.<sup>77</sup>

Additional light is shed on the SPG's laundering techniques in top secret correspondence between the American embassy in Italy and the State Department from 24 February 1948. The document details how funds were being transferred through Lovestone to a contact in Switzerland, then on to leading PSLI politician Giuseppe Faravelli in Rome.<sup>78</sup> The revival of the PSLI was in fact a State Department priority, for American policymakers believed that the PCI, by associating itself with the social and economic reforms required by the peasants and workers, had won the loyalty of the working class. The only instrument available for undercutting this

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<sup>75</sup>American Ambassador to Secretary of State, "For Bohlen from Page" (Top Secret), 12 March 1948, 865.00/3-1248, Diplomatic Branch, RG 59, NA; Director of European Affairs to Undersecretary of State, 3 March 1948, 865.00/3-348, RG 59, NA.

<sup>76</sup>Sallie Pisani, *The CIA and the Marshall Plan* (Kansas, 1991), pp.41-50.

<sup>77</sup>*ibid*; Simpson, *Blowback*, pp.89-90; Peter Grose, *Gentleman Spy: The Life of Allen Dulles* (Boston and New York, 1994), pp.284-285.

<sup>78</sup>American Ambassador to Secretary of State, 30 January 1948, 865.00/1-30488, RG 59, NA.

loyalty, so American logic had it, was the PSLI.<sup>79</sup> Thus came the need for a large infusion of funds into Saragat's party, which since its inception had been largely ineffective.

With so much money being relayed to so many sources, the CIA introduced a complicated procedure to make certain that its programme remained legal as well as secret. To cover the transactions involved in the laundering process, the individuals concerned were advised to place a three letter/number code on their income tax forms alongside their claimed "charitable deduction", and to keep the amount out of their income tax liability calculations. Three basic considerations justified this procedure: (1) it enabled the individuals who assisted the CIA to do so without violating American tax laws; (2) it gave the CIA an internal audit procedure whereby the agency could check on the flow of money as it passed through the laundering process; and (3) by using many individuals to make contributions to a variety of front organisations, the CIA connection was almost impossible to detect.<sup>80</sup>

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The second major strand of the Italian covert action programme saw the Truman administration and the CIA adopt the philosophy of Thomas Pendergast, and transplant the tactics of the American political machines to Italy. The delivery of votes was paramount and, to borrow a Pendergast quote, "efficient organisation in every little ward and precinct" determined the election.<sup>81</sup> In this respect, the SPG's campaign set a precedent, for William Colby cited his experience in the New York City Democratic party as being of benefit when he became the CIA's chief of special operations in Italy, a position he held between 1953 and 1958. Moreover, the hands-on approach taken by Truman himself during the 1948 campaign, particularly his demand that Agriculture Secretary Clinton Anderson "get more wheat" delivered to assist De Gasperi's electoral fortunes, echoed the traits of the president's old patron.<sup>82</sup>

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<sup>79</sup>American Ambassador to Secretary of State, 7 February 1948, *FRUS 1948*, Vol.3: 827-830.

<sup>80</sup>Corson, *Armies of Ignorance*, pp.299-300.

<sup>81</sup>*ibid*, p.298; Pendergast quote in Robert H, Ferrell, *Harry S. Truman: A Life* (Columbia, Missouri, 1994), p.92

<sup>82</sup>Colby and Forbath, *Honourable Men*, p.116; Christopher Andrew, *For the President's Eyes Only: Secret Intelligence and the American Presidency from Washington to Bush* (London, 1995), p.172.

The SPG's game plan proceeded from the premise that providing blanket support for the Christian Democrats, and for the PSLI wherever it stood, would constitute a misuse of resources. Thus, on the basis of what CIA intelligence reports gauged to be the respective strengths and weaknesses of the DC and the PCI, Angleton and Rocca targeted those seats most likely to give control of the government to De Gasperi. This approach was to bear fruit in all but two of the two hundred seats selected, and it depended on the successful application of a number of propaganda techniques.<sup>83</sup>

All of the constituencies selected for SPG attention were subjected to campaigns of black propaganda. Unattributable pamphlets were widely distributed highlighting, for example, the brutality of the Red Army in Eastern Europe. The ominous picture of communism generally was reinforced by alarmist stories planted in local and national newspapers.<sup>84</sup> While such techniques may, as Colby has argued, have been of limited value during the 1950s, the close proximity of the Czech coup to the Italian election meant that black propaganda of this kind could be utilised to more effect than might otherwise have been the case.<sup>85</sup> In short, a great deal of mileage was to be had from projecting the Czech scenario to Italy.

While creating a general anticommunist tone for the campaign, Angleton and Rocca also tailored their strategy to cater for the specific conditions in each of the targeted constituencies, in order to mobilise the necessary volume of votes at grass roots level. Here, profiles were assembled on all of the prospective PCI-PSI candidates in the two hundred selected seats, after which the SPG printed derogatory literature on the personal and sex lives, past misdemeanours and idiosyncrasies of these Communists and Socialists.<sup>86</sup> The aim was, in brief, to diminish the voter appeal of the far-left. Of course, this was negative anticommunism which may also have sought, through the use of forged documents and letters purporting to come from the PCI, to accentuate rifts within and between the Communist and Socialist parties; rifts which had anyway become more pronounced since Yugoslavia was ejected from the Cominform.<sup>87</sup>

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<sup>83</sup>Corson, *Armies of Ignorance*, p.298.

<sup>84</sup>Powers, *Man Who Kept the Secrets*, p.30.

<sup>85</sup>Colby and Forbath, *Honourable Men*, p.118.

<sup>86</sup>Corson, *Armies of Ignorance*, p.298.

<sup>87</sup>Powers, *Man Who Kept the Secrets*, p.30; Leffler, *Preponderance of Power*, p.237.

However, such activities were not, in the estimation of one future operative, the most effective means of countering the Communists. Colby maintains that during his tenure more positive measures, principally the shoring up of party organisation and operation to ensure, for instance, that the DC and PSLI memberships were well armed with arguments to debate with their PCI counterparts, had more impact than black propaganda.<sup>88</sup> The existence of a more positive dimension to the SPG's 1948 programme is in fact implied in an assessment of the situation in Italy by Dunn during the final run up to the election. American dollars and Vatican-supplied political workers, the ambassador reported, were matching and surpassing the Communists and Socialists in grass roots organisation.<sup>89</sup> The close and longstanding working relationship between Angleton and Montini, it would seem, was paying high political dividends.

Taken as a whole then, the SPG propaganda machine helped to build a perception of the duplicitous antidemocratic nature of communism generally, and the unsavoury tendencies and opportunist dispositions of particular PCI and PSI candidates. A further aspect of this element of the CIA's covert campaign was that it lent weight to what might be described as the semi-overt propaganda that the United States also deployed. For example, a mysterious and short-lived organisation known as the Committee to Aid Democracy in Italy advanced half a million picture postcards to Italy with graphic portrayals of the country's fate should it fall into communist hands.<sup>90</sup> Grey propaganda of this kind, whatever its source may have been, could be integrated with, and complemented by, both overt American initiatives, such as the letter writing campaign, and the disinformation distributed by the CIA.

While the SPG allegedly paid under-the-counter bonuses to voting officials,<sup>91</sup> there is no definite evidence of vote rigging. In a sense, the Czech coup had already built up sufficient fear in the Italian public by the time that the provisions of NSC 1/2 and NSC 1/3, which authorised the intensification of Angleton's programme and the wider American effort, were taking effect. Dunn in fact articulated this in March 1948.<sup>92</sup> Looked at in this context, actual vote rigging was not worth the risk. There were, as

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<sup>88</sup>Colby and Forbath, *Honourable Men*, p.116.

<sup>89</sup>Dunn to Dept. of State, *FRUS 1948*, Vol.3: 868-870.

<sup>90</sup>Blum, *CIA: A Forgotten History*, p.25.

<sup>91</sup>Corson, *Armies of Ignorance*, p.298.

<sup>92</sup>*FRUS 1948*, Vol.3: 868-870.

well, more subtle and airtight ways of maximising anticommunist support, for Italy's dual citizenship laws permitted thousands of Italian-Americans to vote in the election. In essence, the Truman administration and the CIA not only transplanted the *methods* used to win over the New Deal Coalition to Italy, they also exported New Deal Coalition *votes* to help assure the Christian Democrats of victory. The individuals who volunteered their votes to save the motherland of course sacrificed their American citizenship under the 1940 Neutrality Act. They were, however, rewarded with a reinstatement of United States citizenship in 1951.<sup>93</sup> This tactic mirrored Justice Department warnings that Italians who joined the PCI would be denied emigration to the United States, and was one more strand in a campaign designed to secure a vital European strongpoint within the western sphere.<sup>94</sup>

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### THE SOVIET VIEWPOINT

The extent of the Soviet Union's commitment, both financially and politically, to the PCI during the 1948 election is the subject of some contention. Ivan Lombardo, whose Socialist Unity party was a partner in the De Gasperi coalition, claimed that the American campaign was "relatively minor compared to (*sic*) the tremendous propaganda machinery of the Communists and their allies [who were] supported and evidently financed by the Russians."<sup>95</sup> Christopher Andrew's study is more balanced, maintaining that Russian involvement was "equally active" to that of the United States. This, however, flies in the face of Miles Copeland's adage that "in an election in such-and-such a country, the KGB (NKVD in 1948) backs a candidate, the CIA backs a candidate, and the CIA candidate wins," primarily because the United States had far greater resources at its disposal.<sup>96</sup>

Some of the methods used by the People's Bloc were tinged with more than a hint of desperation. PCI workers, for instance, travelled incognito to the Abruzzi Mountains and told illiterate anticommunists that the way to prevent the Popular Front from winning power was to mark a cross against the portrait of Garibaldi: blatantly

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<sup>93</sup>E. Timothy Smith, *The United States, Italy, and NATO, 1947-1952* (New York, 1991), p.35.

<sup>94</sup>Blum, *CIA: A Forgotten History*, p.27.

<sup>95</sup>Lombardo, OH 423, p.56, HSTL.

<sup>96</sup> Andrew, *For the President's Eyes Only*, p.172; Miles Copeland quoted in Jeffreys-Jones, *CIA and American Democracy*, p.52.

misleading advice given that the People's Bloc was in fact using the famous Italian patriot as its symbol for the elections.<sup>97</sup> On a more substantive level, the only evidence of how much was spent came in a survey carried out by the Italian Bureau of the United Press, which estimated that the anticommunist parties spent seven and a half times as much as the Communists and Socialists. Indeed, the Christian Democrats alone were calculated to have spent four times the amount spent by their leftist political adversaries.<sup>98</sup> The accuracy of these figures is certainly open to question. The greater part of the Italian press, after all, opposed the far-left, and the figures may have been fabricated in an attempt to cause disillusionment among PCI supporters at the Soviet Union's lack of interest.

What lends more weight to the proposition that whether on a political or financial level, Russian support for the PCI was dwarfed by the comprehensive backup provided by the United States to the Christian Democrats, is the Soviet Union's actions. When reports first reached Moscow that the DC was receiving substantial injections of capital to bolster its electoral prospects, the Soviet leadership was sceptical. The suspicion was that Russian field personnel, in collusion with the PCI, were raising the stakes fictitiously in order to get more money out of Moscow. A senior Russian intelligence official was consequently dispatched to Italy to scrutinise these claims. His considered appraisal of the situation, however, amounted to a complete misinterpretation that stood as testament to the effectiveness of the SPG's campaign. The official mistakenly deduced that, though secret funds *already in excess* of \$10 million had been made available to De Gasperi, the source of finance was the Vatican and not the United States. The Soviet leadership subsequently concluded that they were too far behind the church in the spending race to make any difference to Togliatti's fortunes, and henceforth provided only token support.<sup>99</sup> In this instance, Stalin's famous Potsdam quote had rebounded. The pope, so the Russians believed, had more divisions at his disposal than the Soviet leader did.

Further evidence of Soviet apprehension about becoming over-committed in Italy and provoking an aggressive western backlash was apparent in Stalin's handling of the UN membership and Trieste issues. The Russian stance in both instances gave the impression that Stalin: (1) regarded the situation in Italy as being too volatile for

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<sup>97</sup>Barrett McBurn, "Tough Welding Job Facing DeGasperi," *Washington Post*, 18 April 1948.

<sup>98</sup>Blum, *CIA: A Forgotten History*, p.30.

<sup>99</sup>Corson, *Armies of Ignorance*, p.300.

comfort: (2) feared the ramifications of Anglo-American military intervention in the event of a Popular Front victory; and (3) sacrificed the Italian Communist party as a result. Indeed Stalin's quashing of French Communist Party (PCF) plans to instigate an insurrection to bring down the Fourth Republic in 1947, and his rebuke of Bulgaria and Yugoslavia during February 1948 for supporting the Greek Communist Party (KKE) in the civil war that was taking place in that country, might just as easily have been applied to the situation in Italy. Under no circumstances was the Russian dictator prepared to allow the Soviet Union to become embroiled in a conflict, whether it be political or military, that might lead to war with the United States, "the most powerful state in the world."<sup>100</sup>

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## CONCLUSION

The success of the Italian campaign helped to convince America's political elite of the value of psychological warfare as a tool of containment. A well-coordinated adjunct of the main thrust of United States foreign policy, the SPG's operation played a key role in filling the breach and forestalling an extension of communist power in a strategically-crucial country while the Marshall Plan was being implemented and taking effect.<sup>101</sup> What must be stressed, however, is that Washington regarded the problems of Italy in a wider regional rather than a purely national context. From the Truman administration's perspective, the challenge posed by the People's Bloc was: (1) twinned with Communist-Socialist efforts to undermine democracy in France; (2) linked with the KKE insurgency in Greece; and (3) part of a much larger threat that was planned and coordinated by Moscow and aimed at bringing the entire Mediterranean region under Soviet control.<sup>102</sup> In accordance with this analysis, the United States deployed political weaponry as an essential backup to economic aid in all three countries. Thus, while the Italian campaign was the first official covert

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<sup>100</sup>Douglas Porch, *The French Secret Services: From the Dreyfus Affair to the Gulf War* (New York, 1995), pp.282-285; Milovan Djilas, *Conversations with Stalin* (New York, 1962), pp.181-182.

<sup>101</sup>Tovar, "Strengths and Weaknesses in Past Covert Action," 73.

<sup>102</sup>CIA, "The Current Situation in the Mediterranean and the Near East," 17 Oct. 1947, Intelligence folder 1947 (2of 2), box 254, PSF, Truman Papers, HSTL.

operation authorised by Washington, it was not the only clandestine action programme to be mounted by the United States in the 1947 to 1948 period.<sup>103</sup>

The CIA launched a propaganda and funding campaign in France during 1947 which, being aimed at bolstering the parties of the centre and undermining the radical-left, closely approximated the Italian operation, though on a smaller scale.<sup>104</sup> A paper drafted in 1961 by the Kennedy administration, moreover, revealed covert American involvement in Greece from 1947. United States military advisors were sent to Greece from April of that year as part of the economic aid mission which followed in the aftermath of the Truman Doctrine speech. From December 1947, American personnel were secretly mandated to provide logistical and operational support and were sent into combat alongside Greek government forces in a mission that broadened rapidly to incorporate full-scale American-led counterinsurgency programmes. These developments were hidden from public and congressional scrutiny but came into force in early 1948.<sup>105</sup> The 1961 report does not make clear whether there was any CIA involvement in these ventures. Certainly, Greece was listed in a memorandum outlining the SSU's assets and resources as a country where "extensive semi-covert operations were taking place under military commanders." This review was dated January 1946.<sup>106</sup> It therefore long predated official American commitment to Constantine Tsaldaris's regime in Athens, but so too did the estimates of the Kennedy administration report, which examined United States involvement in Greece "for the critical years 1946 to 1948," and beyond to the defeat of the KKE at Grammos in 1949.<sup>107</sup>

What is clear is that by mid-1948, Washington deemed a defensive covert action capacity, which incorporated paramilitary programmes as well as psychological warfare, to be necessary for the protection of the interests of the United States.

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<sup>103</sup>For a map of CIA covert operations mounted in Europe during the Truman presidency see appendix 1.

<sup>104</sup>Jeffreys-Jones, *CIA and American Democracy*, p.50.

<sup>105</sup>George McGhee, Memo. for McGeorge Bundy, "Counter-Guerrilla Campaigns in Greece, Malaya, and the Philippines," 21 Nov. 1961, Rostow 10/61-11/61 folder, box 326, Meetings and Memoranda, National Security Files, John F. Kennedy Library, Boston, Mass., (hereafter cited as JFKL).

<sup>106</sup>John Magruder, Memo. for Maj. Gen. S. Leroy Irwin, "Assets of the SSU for Peacetime Intelligence Procurement," 15 Jan. 1946, in Warner, *CIA Cold War Records*, p.23.

<sup>107</sup>McGhee to Bundy, "Counter-Guerrilla Campaigns," NSF, JFKL.

American policymakers had, furthermore, by this time accepted Kennan's argument that the United States dispense with any pretence that it was acting out of "high-minded altruism," in the furtherance of foreign policy objectives.<sup>108</sup> Adopting the logic that the end of countering communism justified the means, the CIA and the military cavorted with some unsavoury bedfellows in the pursuit of clandestine objectives in 1947 and 1948.

The most obvious example was the recruitment of the Greek Democratic League (EDES), a right-wing territorial militia that had worked with German occupation forces during World War II.<sup>109</sup> In its successful effort to break the communist-engineered general strike in France in December 1947, the CIA is rumoured to have hired elements of the Corsican Mafia, the wartime exploits of whom were as henchmen for the Nazis.<sup>110</sup> In Italy, as has been discussed, the CIG/CIA reorganised, and drew on the resources of, the very security forces that had served Mussolini just a few short years before. In some instances the agency and its predecessor organisations allowed war criminals to either evade capture altogether, or to escape from allied custody almost as quickly as they were caught: all in the hope that these former enemies could be brought on board in the battle against the Popular Front. Not only was the stage set, then, for an expansion of covert action as De Gasperi celebrated his victory in April 1948. The trends that would become ever more pronounced in subsequent years were already beginning to take hold even before the onset of the Berlin blockade and the decision of the Truman administration to establish the OPC and go onto the offensive.<sup>111</sup>

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<sup>108</sup>PPS/23, "Review of Current Trends in U.S. Foreign Policy," 24 Feb. 1948, *FRUS 1948*, Vol.1 (part 2): 509-529

<sup>109</sup>McGhee to Bundy, "Counter-Guerrilla Campaigns," NSF, JFKL.

<sup>110</sup>Jeffreys-Jones, *CIA and American Democracy*, p.50.

<sup>111</sup>CIA General Order No.10, 27 August 1948, *FRUS: Intelligence Community 1945-50*: 724.

CHAPTER 3  
ONTO THE OFFENSIVE

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Throughout the second term of Truman's presidency containment remained the centrepiece of American foreign and defence policy, but the spread of the Cold War to Asia and the outbreak of hostilities in Korea led Washington to place ever greater emphasis on military instruments to counter the communist threat. This period saw control of CIA covert operations transferred from the SPG in June 1948 to the Office of Policy Coordination – an entirely new body which, though it was housed in the CIA for administrative purposes, functioned ostensibly as an independent entity with wide operational parameters and little in the way of oversight provisions governing what it could and what it could not do (see appendix 3 for an organisation chart of the CIA for the 1948 to 1950 period).<sup>1</sup>

It was during the short lifetime of the OPC, 1948 to 1952, that covert action was established as a permanent and well-resourced tool of statecraft, and this arose largely as a consequence of the very different policy requirements of the Executive. The State Department, for example, tended to encourage political action and propaganda activities to reinforce its diplomatic objectives. The Defense Department, on the other hand, requested paramilitary activities to support the Korean War effort. The result was that the OPC had to diversify as well as expand, and this in turn created an internal dynamic as operatives competed with one another in developing ever more ambitious projects.<sup>2</sup>

The expansion of the OPC's organisational and functional scope gathered pace through three escalatory stages which were brought about by: (1) the introduction of the 1949 Central Intelligence Act, which made provision for an increase in the CIA's manpower and funding, and exempted the agency from federal disclosure laws; (2) the authorisation of NSC 68 in April 1950, which stipulated the need for a non-military counteroffensive against the Soviet Union; and (3) the onset of the Korean War, which provided the impetus for the CIA to increase enormously its operational capacities. Statistics show clearly the extent of the OPC's growth. Its manpower mushroomed from a staff of 302 in 1949 to 2,812 in 1952, with an additional 3,142 overseas

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<sup>1</sup>NSC 10/2, *FRUS: Intelligence Community, 1945-50*: 713-715.

<sup>2</sup>*Church Report*, Bk.1, p.107.

contract personnel. Its budgets multiplied in concert, from \$4.7 million in 1949 to \$82 million in 1952, and the number of stations out of which the OPC worked rose from seven to forty-seven over the same period.<sup>3</sup>

The OPC was equally significant in the sense that it conducted, with Washington's authorisation, offensive covert operations against the Soviet bloc as well as defensive projects in support of democracy in Western Europe and later in Asia.<sup>4</sup> This was a major departure, for though the SPG had launched at least one venture behind the Iron Curtain, it did so without official approval.<sup>5</sup> What should be stressed, however, is that the OPC's offensive operations were essentially harassment exercises. Only in the case of the Albania operation, which began as an Anglo-American enterprise, did Washington make any outright attempt to overthrow a communist regime within the Soviet orbit.<sup>6</sup> The assumptions on which the OPC was founded and its modus operandi, nonetheless, provide clear evidence that Truman's claim never to have had "any thought that the CIA would be injected into peacetime cloak and dagger operations," was at odds with the facts.<sup>7</sup> During the second half of his presidency, covert action evolved into a key weapon of foreign policy as the Cold War intensified and expanded into a global confrontation.

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**THE COLD WAR, 1948-53: A GEOGRAPHICAL EXPANSION AND A PROLIFERATION OF MEANS**

By 1948 the Cold War had developed into a spheres of influence conflict centred on Europe, but it was a conflict between two very unequal adversaries. At this time the foreign policy designs of the Truman administration proceeded from the premise that

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<sup>3</sup> *ibid.*  
<sup>4</sup> Harry Rositzke, "America's Secret Operations," 335-336.  
<sup>5</sup> Robert Lee Wolff, *The Balkans in Our Time* (Cambridge, Mass., 1956), p.289.  
<sup>6</sup> Harry Rositzke, *The CIA's Secret Operations: Espionage, Counterespionage, and Covert Action* (New York, 1977), p.173.  
<sup>7</sup> Truman quoted in Ranelagh, *The Agency*, p.118. Ranelagh suggests that this article was actually ghost written by Truman's executive assistant Enno H. Knocke. For further analyses of Truman's comments and his propensity for selective recall after leaving office see *ibid.*, and Andrew, *For the President's Eyes Only*, p.171

the United States' nuclear monopoly coupled with its unrivalled military superiority in the air and on the sea guaranteed that the balance of power was weighted heavily in Washington's favour and would remain so over the medium term. American policymakers maintained that for a Soviet Union that was only beginning to recover from the devastating toll reaped by World War II, the risks entailed in a military adventure to extend Russian control beyond the Eastern European satellites were prohibitive.<sup>8</sup> Moscow would, for certain, probe western weaknesses and indeed it was a key imperative of the CIA's covert action mission to ensure that political conditions in Western Europe were such that the seeds of Soviet/communist-inspired dissent fell on stony ground. In terms of the big picture, however, the Truman administration's calculations were clear: when Stalin's pursuit of Russian interests raised the potential for a clash with American power, he would temper his ambitions and settle for the best deal he could get for the Soviet Union.<sup>9</sup>

Such faith in the primacy of the United States over its 'superpower' adversary guided the Truman administration during the war scare of March 1948.<sup>10</sup> The same basic logic held true, moreover, during the Berlin blockade. Beginning in June 1948, the nearly year-long crisis saw the Kremlin play at brinkmanship, but the Anglo-American airlift mounted to sustain the city carried a stark message for Stalin: either acknowledge the existence of a western enclave in Berlin or be prepared to go to war. So convinced was the American Ambassador to Moscow and future DCI, Walter Bedell Smith, that the Soviet Union would plump for the first option, that he announced his willingness to go and sit on the airfield at Wiesbaden, a centre of operations for the airlift, in full confidence that the Russians had no intention of starting a war.<sup>11</sup>

Significant as the Berlin blockade was in heightening Cold War tensions, it failed to influence the Truman administration into making an extensive military commitment to the defence of Western Europe. The economic instrument remained the centrepiece of containment and in military terms the emphasis was focused on self-help. The

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Frank Kofsky, *Harry S. Truman and the War Scare of 1948: A Successful Campaign to Deceive the Nation* (New York, 1993), pp.156-157, pp.272-299; Crockatt, *The Fifty Years War*, p 82.

CIA, "The Strategic Value to the USSR of the Conquest of Western Europe and the Near East (to Cairo) Prior to 1950," 30 July 1948, folder 10, box 256, PSF, Truman Papers, HSTL.

Kofsky, *Truman and the War Scare*.

Ambassador to the Soviet Union, Smith, to the PPS, *FRUS 1948*, Vol.2: 1195-1197.

provisions made by Britain and the Benelux countries through the Brussels Treaty of March 1948 and the subsequent creation of the Western European Union (WEU) were, however, considered by Pentagon planners to be too limited to provide adequate defence against the Soviet Union. Consequently, an expanded version of the alliance that incorporated the United States, Canada, and a number of other strategically-vital countries and locations, including Greenland, Iceland, and the Azores – which since World War II had been key points in America's outer line of defence – came into being with the establishment of the North Atlantic Treaty Organisation (NATO) in April 1949.<sup>12</sup>

It should, nevertheless, be stressed that the founding of NATO was primarily a political move. It was conceived as a confidence booster aimed at raising the sense of security and psychological well-being in Western Europe, reinforcing the ERP, and preventing America's trans-Atlantic allies from succumbing to Russian pressure and adopting neutralism.<sup>13</sup> There was, additionally, a strong element of what Gaddis refers to as "double containment" involved in the establishment NATO, in that it helped to allay European fears about the dangers posed by an independent West German state.<sup>14</sup>

The whole nature of the Cold War changed irrevocably, however, as an outcome of two events which took place in the latter months of 1949. Soviet acquisition of atomic device in late August of that year brought about a proliferation of means and a fundamental alteration in the balance of forces to the detriment of the United States, and Mao Zedong's proclamation of the People's Republic of China (PRC) the following month resulted in the geographical expansion of the conflict to Asia. These factors, along with the intensification of domestic anticommunism within the United States that they spawned, were central catalysts in influencing Truman's decision to announce a crash programme to produce a thermonuclear weapon and in bringing

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<sup>12</sup>"Report Prepared by PPS Concerning Western Union and Related Problems, *FRUS* 1948, Vol.3: 61-64; Truman to Congress, 25 July 1949, Truman Papers, White House Central Files, Official File, in Dennis Merrill (ed.), *Documentary History of the Truman Presidency*, Volume 17 (Washington D.C., 1997): 99-103; Timothy P. Ireland, *Creating the Entangling Alliance: The Origins of the North Atlantic Treaty Organisation* (Westport, Conn., 1981); Crockatt, *The Fifty Years War*, pp.81-82.

<sup>13</sup>Ireland, *Creating the Entangling Alliance*; Crockatt, *The Fifty Years War*, pp.82.

<sup>14</sup>John Lewis Gaddis, *We Now Know: Rethinking Cold War History* (New York, 1997), p.50.

about the root and branch revision of American strategic thinking as outlined in NSC 68.

NSC 68 was authorised in April 1950 with the purpose of galvanising the bureaucracy, Congress, and subsequently – though indirectly since NSC 68 was top secret – the American public into supporting a more vigorous application of containment.<sup>15</sup> Starting from the premise that the Soviet Union was driven by a "fanatical [communist] faith," nurtured an insatiable appetite for political and territorial expansion, and aspired ultimately to world domination, the document stands as a landmark in the history of American national security policy, not to mention Cold War rhetoric. Unlike Kennan's earlier conception of containment, NSC 68 made no distinction between those areas which were vital to American interests and those which were not. Perceptions were seen as all-important and a "defeat for free institutions anywhere" was deemed to be "a defeat everywhere" – the so-called zero-sum game logic.<sup>16</sup> All that prevented cold war from erupting into hot war, according to NSC 68, was a lack of preparedness on the part of the Soviets to embark on such a course. The onus was consequently on the United States to mount a massive rearmament programme to meet any type of challenge posed by what was depicted as a Soviet-controlled global communist monolith.<sup>17</sup>

The budgetary implications of this were enormous and the authors of NSC 68 were essentially beneficiaries of fortuitous timing. In short, there is considerable doubt as to whether the scale of deficit financing necessary for the United States to expand its national security commitments to global proportions would have found such ready support in the Executive and in Congress without the trigger of the Korean War. Nevertheless, the fact remains that from mid 1950 onwards the Truman administration, drawing from the model of World War II, deployed neo-Keynesian policies in an attempt to expand the United States economy as a whole in order to provide for massive increases in defence expenditure while simultaneously maintaining domestic living standards.<sup>18</sup>

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<sup>15</sup>John C. Donovan, *The Cold Warriors: A Policy Making Elite* (Lexington, Mass. and Toronto, 1974), pp.81-82.

<sup>16</sup>NSC 68, *FRUS 1950* Vol.1: 243-245, 237-240.

<sup>17</sup>Memorandum by the National Security Resources Board, "Comments on the NSC 68 Programs," 29 May 1950, *FRUS 1950* Vol. 1: 316-321.

<sup>18</sup>President's Economic Report 1950, *Truman Public Papers*, 1950, 18-30.

The mushrooming of defence costs that took place between 1950 and 1953 bears out the extent to which NSC 68, and the adoption of perimeter as opposed to strongpoint defence, departed from the strategic thinking that dominated containment policy from 1946 to 1949.<sup>19</sup> Truman's budget estimate for 1954 envisaged national security-related spending at \$55.6 billion. Representing an enormous 70.7 percent of total expenditure, and creating a projected budget deficit of \$9.9 billion, this amounted to a fourfold hike in defence costs from the \$13.5 billion allocated in 1950.<sup>20</sup> Behind such increases lay the assumption, outlined in NSC 68 and reinforced with North Korea's invasion of its southern neighbour, that the United States was confronted by an aggressive communist monolith and needed to be both vigilant and prepared in order to meet the challenge. Consequently, as well as embarking on a land war in Asia – a move which military planners had long sought to avoid – Washington committed itself to the militarisation of NATO. This resulted in a quadrupling of military aid to Western Europe which involved a bolstering of the American troop presence on the continent and the first moves towards the arming of the fledgling West German state, which had been established in May 1949.<sup>21</sup>

Two factors that arose as a result of the Korean War warrant a brief mention here, not only because they are significant in themselves but also because they had some bearing on the development of covert action. Firstly, Korea demonstrated how narrow the line between containment and rollback was. MacArthur's counteroffensive, which by October 1950 had pushed Kim Il Sung's forces back towards the Chinese border, went beyond the UN's objective of restoring the thirty-eighth parallel as the dividing line between North and South Korea. Beijing's intervention, however, came as a warning to Truman that if he revised American war aims and sought to reunite Korea, then he would have to be prepared to raise the stakes to the point where a third world war became a possibility. The drawbacks of

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<sup>19</sup>Gaddis, *Strategies of Containment*, pp.88-125.

<sup>20</sup>Iwan W. Morgan, *Eisenhower versus "the Spenders": The Eisenhower Administration, the Democrats, and the Budget, 1953-60* (New York, 1990), p.50.

<sup>21</sup>Leffler, *Preponderance of Power*, pp.446-463.

following such a course far outweighed the benefits and the president opted for a reaffirmation of containment.<sup>22</sup>

The Korean War is, secondly, illustrative of the extent to which domestic issues, namely the McCarthyite witch-hunt of the early 1950s, could influence foreign policy. Militant anticommunism in the United States went back as far as the Red Scare that followed World War I. More recently, a newly-elected Richard M. Nixon had used his position on the House Committee on Un-American Activities (HUAC) to exploit the issue after the Republicans won control of Congress in the mid-term elections of 1946. Simultaneously making political capital for the GOP and advancing his own career, Nixon set a precedent for others to follow. The premise on which the HUAC based its initial investigations was that the Roosevelt and Truman administrations harboured traitors who had been instrumental in what was alleged to have been the sell-out of Eastern Europe at the Yalta Conference in 1945.<sup>23</sup>

Domestic anticommunism moved up a gear between late 1949 and mid 1950 as a result of the wider Cold War developments already mentioned and the rise to prominence of Joseph R. McCarthy. Expanding on Nixon's arguments, McCarthy alleged that the advent of the Soviet bomb was the result of treachery rather than technical prowess on the Russians' part. Revealing his close links with the China lobby, the Wisconsin senator also maintained that it was Truman's failure to provide adequate support for Chiang that led to the victory of communism in China. The Korean War, McCarthy contended, would never have happened if Truman had rooted out the traitors in the Executive Branch and paid more attention to Asia.<sup>24</sup>

On this basis, the senator led a four year campaign that targeted the Democratic party, the State Department, and eventually the Army and the CIA in the hope of uncovering communist spies and sympathisers.<sup>25</sup> The essence of his appeal, however, stemmed from the fact that by emphasising "the enemy within rather than the danger from

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<sup>22</sup>Notes on Meeting in JCS Conference Room, Pentagon, 1 Dec. 1950, Papers of Dean Acheson, in Merrill, *Truman Presidency Documents*, Vol. 19: 104-111; Crockatt, *The Fifty Years War*, pp.104-107; William W. Stueck, *The Korean War: An International History* (Princeton, 1995), pp.338-353.

<sup>23</sup>John E. Hayes, *Red Scare or Red Menace? American Communism and Anticommunism in the Cold War Era* (Chicago, 1996), pp.137-143.

<sup>24</sup>Richard M. Fried, *Nightmare in Red: The McCarthy Era in Perspective* (New York, 1990).

<sup>25</sup>*ibid*; Crockatt, *The Fifty Years War*, pp.94-95

abroad" he reconciled two very basic domestic concerns, namely high taxes and communism. He thereby offered Americans an inexpensive and risk-free method of combating communism.<sup>26</sup>

McCarthy lent his name to one of the most odious chapters in postwar American history. The irony was that though his inquiries targeted the wrong people and failed to result in any convictions, the general thrust of his claims was not without some substance, as the uncovering of the atom spies, Klaus Fuchs, and Julius and Ethel Rosenberg, all of whom betrayed the secrets of the Manhattan Project to the Soviets, demonstrates. It should, however, be stressed that these convictions were made possible as a result of information passed on by Igor Gouzenko and through the VENONA decrypts, through which the FBI intercepted signals sent by Moscow to its agents in the United States between 1944 and 1945, and not through any investigation conducted by McCarthy.<sup>27</sup>

In regard to foreign and defence policy, McCarthyism and the efforts of the China lobby heightened sensitivity in the administration to further losses in the Far-East. Washington was thus compelled to bring areas such as Indochina, which in terms of American strategic interests were of only marginal value, under the containment umbrella. Domestic anticommunism was, moreover, so intense during the early 1950s that it precluded Truman from seeking any form of compromise with Beijing, which in turn limited the president's room for manoeuvre in his management of the Korean War. On the one hand, he had no wish to extend the conflict and risk the very dangerous repercussions that a policy of rollback implied. On the other, he could not negotiate with the Chinese. The result was that by mid 1951 the conflict had settled into a stalemate centred near to the thirty-eighth parallel and for the remainder of Truman's tenure the GOP made political capital by persistently criticising the president for what Republicans argued was his inability to bring the war to a satisfactory conclusion.

The geopolitical environment of the 1948 to 1953 period, then, saw the United States extend its commitment to contain communism to global proportions and the CIA's covert action mission grew in tandem with these expanding policy requirements. Containment had, from its outset, been more than a defensive response to Soviet

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<sup>26</sup>Crockatt, *The Fifty Years War*, pp.94-95; Jeff Broadwater, *Eisenhower and the Anti-Communist Crusade* (Chapel Hill and London, 1992), p.15.

<sup>27</sup>Andrew, *For the President's Eyes Only*, pp.178-179, p.195.

pressure on Western Europe. The policy had also been one of calculated and gradual coercion aimed at inducing Moscow to mend its ways over the longer-term.<sup>28</sup> The Berlin blockade led Washington to place greater stress on the coercive element of containment. One outcome of this change in emphasis was the creation of the OPC, the mission of which provided for offensive operations as well as the continuation and enlargement of the programmes initiated by the OSO.<sup>29</sup> Thus, from late 1948 to early 1949 covert action came, in effect, to be envisioned as enabling the Truman administration to exploit Russian weaknesses as well as help to secure American interests. This straddling of the line between containment and rollback intensified as the Cold War spread to Asia and Korea erupted. The economic and military instruments of containment were by this time afforded equal prominence,<sup>30</sup> and CIA covert action expanded in a manner that would allow the agency to provide essential backup for both.

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#### **THE OFFICE OF POLICY COORDINATION**

In the aftermath of the CIA's Italian campaign psychological warfare was catapulted into the ascendancy as a tool for advancing American foreign policy, and appetites were whetted in Washington for an expansion of covert action generally. The paradox was that while De Gasperi's victory had highlighted the SPG's operational competence, America's covert action mission was subsequently transferred to an

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<sup>28</sup>Crockatt, *The Fifty Years War*, pp.94-95; NSC 68, *FRUS 1950*, Vol.1: 252-253.

<sup>29</sup>As well as engaging in defensive psychological warfare and political action operations in Western Europe, the SPG began planning offensive psychological warfare projects, which the OPC inherited and continued. SPG plans were, for example, drawn up, under the code-name of Project Ultimate, to penetrate the Iron Curtain using high level balloons, see Memo from DCI Hillenkoetter to Chief of Naval Operations, Denfield, 18 June 1948, *FRUS: Intelligence Community 1945-50*: 715; Memo from Commander Robert Jay Williams to Chief of SPG (Cassady), 23 July 1948, *ibid*: 718. For OPC's continuation of SPG plans to broadcast radio propaganda into Eastern Europe and the Soviet Union, code-named Project Umpire, see Memo from Assistant Director of Policy Coordination (Wisner) to DCI Hillenkoetter, 29 October 1948, *ibid*: 731.

<sup>30</sup>Michael J. Hogan, *The Marshall Plan: America, Britain, and the reconstruction of Western Europe* (Cambridge, 1987), p.311.

entirely new entity – the OPC.<sup>31</sup> Several closely related factors dictated that this would be the case.

In the broadest Cold War context, America was, from 1948, neither at peace nor at war and though the communist threat was still deemed to be principally a political one, it was nevertheless growing more acute. In response, Kennan began to argue from the spring of that year for official sanction to be granted for the development of a clandestine action capability that went beyond psychological warfare to incorporate direct covert intervention in the internal affairs of America's prospective enemies as and when occasion demanded it. What this proposal amounted to was a State Department bid to wrest jurisdiction over covert action away from the CIA and to the PPS.<sup>32</sup>

For his part, Hillenkoetter resisted Kennan's plan but the DCI's efforts were compromised by what the State and Defense Departments regarded as the excessive caution that had characterised his use of the CIA's covert action mandate.<sup>33</sup> At the same time, the potential for the Italian operation to boost Hillenkoetter's prestige was cancelled out by doubts about the CIA's predictive efficiency. Most specifically, the agency's critics argued that it had failed to give advance warning of the riots in Bogota that disrupted Marshall's visit to the Colombian capital in April 1948 for a conference of the Organisation of American States (OAS).<sup>34</sup>

These charges were in fact inaccurate. A congressional inquiry mounted immediately after the events in Bogota revealed that the CIA had alerted the State Department, first in January 1948 and again during the following March, to the danger of the conference being marred by leftist-orchestrated riots "aimed primarily at embarrassing officials of the U.S." Blame could thus be more adequately attached to the State Department for its failure to listen than to the CIA for its failure to predict accurately, but this was overlooked at the time. Consequently, doubts remained about Hillenkoetter's ability to ensure that properly evaluated information reached top level

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<sup>1</sup>National Security Council Directive on Office of Special Projects, NSC 10/2, 18 June 1948, *FRUS: Intelligence Community, 1945-50*: 713-715.

<sup>2</sup>Darling, *Central Intelligence Agency*, pp.263-268.

<sup>3</sup>*ibid.*

<sup>4</sup>Jeffreys-Jones, *CIA and American Democracy*, p.53.

policymakers in a timely enough fashion.<sup>35</sup> This damaged the DCI's standing generally and could only have hampered his efforts to fight the agency's corner in the bureaucratic turf war over the future of covert action.

Additional and still more basic factors, however, figured in the decision to remove clandestine operations from the OSO. In essence, the issue of how to reconcile the often conflicting imperatives of control and responsibility lay at the heart of the problem, just as it had done when covert action was first authorised. Put simply, the CIA was considered to be too accountable to carry out the full range of operations envisaged by Kennan.<sup>36</sup> In theory at least, every venture that the agency proposed was subject to review by the NSC and could therefore rebound on the NSC if sanctioned then later compromised.

Indeed, Washington had a foretaste of these potential pitfalls even before offensive covert action had official approval. In 1947, the OSO mounted an operation in Rumania, only to see the OSS veterans who had been recruited for the job captured and put on trial. Fortunately for the United States, this received little attention in the western media, but it provided Petru Groza's Communist regime with a propaganda victory and the justification for an intensification of the already hard-line policy that it was pursuing against those it labelled as dissidents.<sup>37</sup> Whether or not the Rumanian fiasco registered with any great impact in Washington is a matter of conjecture. What is certain is that in deciding to make covert action a more permanent and comprehensive instrument of foreign policy than had hitherto been the case, the NSC also adopted Kennan's proposal to appoint an instrumentality that was effectively outside the normal oversight loop to carry out the mission.<sup>38</sup>

On 18 June 1948, the National Security Council established the Office of Special Projects – which was soon renamed the OPC – and approved NSC 10/2 to supersede

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<sup>35</sup>Stephen J. Spingarn, Lt. Colonel, MI Reserve, "A Basic Program for the Revitalization of the National Defense Establishment Organization (and its Lower Echelons) Relating to Overseas Counter Intelligence in Time of War and for the Correciton of Serious Defiencies in this Organization as Demonstrated by World War II," C.I. Program and Resolution, Addenum of 16 April 1948, (1of 3), box 1, Spingarn Papers, HSTL.

<sup>36</sup>Thomas, *The Very Best Men*, p.29.

<sup>37</sup>Wolff, *The Balkans in Our Time*, p.289.

<sup>38</sup>Hersh, *The Old Boys*, p.224.

NSC 4/A and serve as the new organisation's founding charter.<sup>39</sup> The OPC was headed by Frank Wisner, a Wall Street lawyer who had served in the OSS in Egypt, Turkey, and most successfully as station chief in Rumania between September 1944 and late January 1945. He completed his wartime service working out of the OSS station in Wiesbaden, Germany in September 1945 and after a brief return to Wall Street took up the post of Deputy Under Secretary of State for Occupied Areas, which he held from the summer of 1947 until becoming Assistant Director of Policy Coordination (ADPC).<sup>40</sup>

What should be stressed about the OPC is that from its outset it was a bureaucratic anomaly. Wisner was appointed to head the organisation by the Secretary of State and the ADPC looked to Kennan and more often Robert Joyce at the PPS, and when occasion demanded it the Pentagon, for policy guidance. The OPC was not, however, formally associated with either the State or Defense Departments. Conversely, Wisner's organisation was housed officially within the CIA, but only for the provision of "quarters and rations," and the DCI had next to no control over its activities, at least until 1950 when Bedell Smith succeeded Hillenkoetter. In practice, the provisions governing the design and conduct of covert action were very loosely structured from mid to late 1948 onwards. The agency was sidelined, while the NSC and PPS afforded the OPC the widest possible operational parameters in the drive to achieve its now often-quoted defining mission of countering "the vicious covert activities of the USSR, its satellite states, and Communist groups." The principal condition governing the functioning of Wisner's organisation was that, should any of its ventures be uncovered, Washington could "plausibly disclaim any responsibility for them."<sup>41</sup>

The creation of the OPC was also significant in the sense that it was the outcome of the gradual meeting of minds which took place between the federal government and America's private sector in the sphere of foreign policy following the proclamation of the Truman Doctrine. As has already been mentioned, the CFR served as the principal agent in this convergence of interests. It was, for instance, common practice

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<sup>39</sup>NSC 10/2, *FRUS: Intelligence Community, 1945-50*: 713-715.

<sup>40</sup>Hersh, *The Old Boys*, pp.194-216.

<sup>41</sup>Darling, *Central Intelligence Agency*, pp.262-273; quotes from NSC 10/2, *FRUS: Intelligence Community*: 713, 714.

for PPS reports to be communicated to the CFR.<sup>42</sup> Likewise, the CFR's president, Allen Dulles, a New York lawyer, former OSS station chief in Berne, Switzerland, and future DCI, sponsored covert activists such as Wisner, Tracy Barnes, John A. Bross, and Cord Meyer for membership to its ranks. The council, then, played a key role in the recruitment of the hierarchy of the OPC.<sup>43</sup> Dulles's association, furthermore, served as the vehicle through which administration officials were kept informed of independent covert initiatives mounted by, for example, the Ford and Rockefeller Foundations. These organisations in turn assisted the Truman administration from the spring of 1948, when it adopted covert action as a permanent instrument of foreign policy.<sup>44</sup>

The OPC's funding provisions were as anomalous as those governing its oversight. Officially, its appropriations from Congress multiplied more than sixteen-fold between 1949 and 1952.<sup>45</sup> Significant as this growth was, however, it tells only part of the story, for the Economic Cooperation Administration (ECA), the organisation that managed the ERP, provided Wisner with an additional and secret budget. Under the conditions of the Marshall Plan, Western European signatories had to match each dollar received in American aid with an equal amount in the local currency. 95 percent of this was used for ERP programmes. The remaining 5 percent, termed counterpart funds and amounting to approximately \$200 million per year, covered administrative and miscellaneous costs incurred by the American government, and a proportion of these monies were set aside for the OPC.<sup>46</sup>

Exactly how much Wisner siphoned off from this source is not clear. A 1949 memorandum from the OPC's Finance Division to the ADPC stated only that "certain portions" of the counterpart funds were allotted to the OPC.<sup>47</sup> The account of Richard M. Bissell, who at the time was the ECA's deputy assistant administrator and later

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<sup>42</sup>Pisani, *The CIA and the Marshall Plan*, pp.41-50

<sup>43</sup>*ibid*, p.64.

<sup>44</sup>*ibid*, pp.47-50.

<sup>45</sup>*Church Report*, Bk.1, p.107.

<sup>46</sup>Richard M. Bissell, Jr., with Jonathan Lewis and Frances T. Pudlo, *Reflections of a Cold Warrior: From Yalta to the Bay of Pigs* (New Haven and London, 1996), p.68.

<sup>47</sup>Finance Division to Executive, OPC [Wisner], "CIA Responsibility and Accountability for ECA Counterpart Funds Expended by OPC," 17 October 1949, in Warner, *CIA Cold War Records*, pp.321-322.

headed the CIA's operations directorate, is equally pertinent and equally difficult to gauge. On the one hand, he maintains that a "modest amount" from these monies went to the OPC. On the other hand, he states that he would not have been surprised "to learn that the 5 percent counterpart funds were used for many OPC operations," which implies that Wisner had access to a considerable proportion of the yearly \$200 million sum.<sup>48</sup> Leaving the absence of specific figures aside, interviews conducted by Evan Thomas with several former OPC operatives reveal that the organisation was awash with what was described as an unlimited supply of money.<sup>49</sup> Counterpart funds were, furthermore, unvouchered and though guidelines were laid down for their use, Wisner's organisation was, in practice, bound by neither spending restrictions nor accounting procedures. OPC operatives could "write a project in brief and vague language, funding was no problem."<sup>50</sup>

Though the OPC has featured prominently in several very good studies of the CIA, a definitive work on Wisner's organisation has yet to be written.<sup>51</sup> The ADPC himself

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<sup>48</sup>Bissell, *Reflections of a Cold Warrior*, pp.68-69.

<sup>49</sup>Thomas, *The Very Best Men*, pp.40-41.

<sup>50</sup>See note 43 for guidelines; quote by Kermit Roosevelt from interview with Pisani, *The CIA and the Marshall Plan*, p.75.

<sup>51</sup>There is an extensive body of literature dealing with the OPC. First-hand accounts include Rositzke, *The CIA's Secret Operations*, Cord Meyer, *Facing Reality: From World Federation to the CIA* (New York, 1980) and Sig Mickelson, *America's Other Voice: The Story of Radio Free Europe and Radio Liberty* (New York, 1983). The most extensive secondary work on the OPC is Hersh, *The Old Boys*, while Ranelagh, *The Agency*, and Prados, *Presidents' Secret Wars*, provide comprehensive recounts of OPC paramilitary, political, and psychological warfare operations. Evan Thomas had access to some of the CIA's in-house histories for *The Very Best Men*, which makes this book indispensable to the study of the OPC and indeed the first twenty years of the CIA. Also useful is Wilson D. Miscamble, *George F. Kennan and the Making of American Foreign Policy* (Princeton, 1992), which gives some attention to the establishment and early evolution of the OPC from the perspective of one of its principal architects. Other works such as William M. Leary, *Perilous Missions: Civil Air Transport and CIA Operations in Asia*, (Birmingham, Alabama, 1984), focus on specific types of operation. The most controversial treatments of the OPC are Simpson, *Blowback*, and John Loftus's *The Belarus Secret* (New York, 1982). Simpson's book is exhaustively researched but adopts a conspicuously moral tone, opening a hornet's nest of ethical issues surrounding the rights and wrongs of recruiting ex-enemies with very chequered pasts. Loftus was a prosecutor with the Office of Special Investigations, a subdivision of the US Justice Department established to bring Nazi war criminals living in the United

outlined his organisation's work as subdividing into the five "functional groups" of psychological warfare, political warfare, economic warfare, preventive direct action, and miscellaneous activities (for a more extensive *verbatim* breakdown see appendix 4).<sup>52</sup> However, a detailed and comprehensive analysis of the OPC's mission, especially in the areas of commodity and fiscal covert operations and the establishment of front organisations, would require access to information relating to sources and methods. Welcome as it has been, the greater openness that has characterised the CIA's approach to declassification over recent years has not stretched to the point of breaking such a sacred intelligence taboo, nor, understandably, is it ever likely to. With such constraints in place, existing treatments on the OPC have tended to present a somewhat skewed picture, focusing on the organisation's psychological warfare, political action, and paramilitary programmes, while paying scant attention to the crucial sphere of economic warfare. While it is not possible to rectify this imbalance, for the reasons outlined above, it is nonetheless incumbent on any study of American covert action to point out that the imbalance exists and to provide as full an analysis of the OPC's mission as sources will allow.

Looked at holistically, the OPC was tasked with four closely related overarching objectives: (1) to marshal as many active and potential anticommunist elements as possible; (2) to provide these organisations with financial and where necessary operational support, so bringing them under some degree of American control; (3) to

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States to trial. He contends that Wisner sought to reconstitute the large paramilitary forces of Byelorussians and Ukrainians, notably the Vlasov Army, which had been organised by the Germans during World War II. These forces were to be deployed by the OPC in the event of armed conflict breaking out between the United States and the Soviet Union. Loftus returned to the theme of the West's use of former enemies and the detrimental effects that allegedly arose from this policy in a book written with Mark Aarons entitled *Ratlines: How the Vatican's Nazi Networks Betrayed Western Intelligence to the Soviets* (London, 1991). John A. Bross, a senior OPC/CIA official who served as a major source in the writing of Ranelagh's book, told Sallie Pisani that Loftus had lied about the files that he saw and maintained "that no-one he [Bross] had talked to thought Loftus was telling the truth," see Sallie Pisani, *The CIA and the Marshall Plan*, p.143. Pisani's own book contends convincingly that "the emphasis on paramilitary operations in the literature [on the OPC and the CIA] has led to a distorted picture of covert operations in their seminal period," *ibid*, p.7.

<sup>52</sup>Frank G. Wisner, Memo for the DCI, "OPC Projects," 29 October 1949, *FRUS: Intelligence Community, 1945-50*: 730-731. This memo. is also to be found in Warner, *CIA Cold War Records*, pp.241-242, but, unlike the *FRUS* document, the details of OPC economic warfare activities are deleted.

deploy these groups and any other resources that were at the disposal of the United States on a speciality of function basis; and (4) to ensure that the overall covert effort against the Soviet Union and its satellites was well-oiled, coordinated, and struck in a manner that brought maximum benefit to American foreign policy objectives.<sup>53</sup> The OPC was, however, more than just a mobiliser, organiser, and financier of anti-Soviet discontent. The expertise and discretion of the Wall Street lawyers and Ivy League academics with whom Wisner so enthusiastically filled his ranks also qualified the organisation eminently for the waging of economic warfare against the communist bloc.

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### ECONOMIC WARFARE

According to Wisner, OPC economic warfare subdivided into two categories. Commodity operations incorporated what he described as clandestine preclusive buying, market manipulation, and black market projects, while currency speculation and counterfeiting fell under the rubric of fiscal operations.<sup>54</sup> As to what these activities fully entailed, the CIA has permitted very little to reach the public domain. An examination of wider American policy objectives in the economic sphere, however, helps to shed some light on these highly sensitive OPC ventures.

Richard Bissell described the OPC as functioning as a complementary instrumentality to the Marshall Plan and several factors support his contention. The lifetime of Wisner's organisation, 1948 to 1952, closely approximated that of the ERP; the ECA bolstered the OPC's budget secretly through the injection of counterpart funds; Wisner's organisation replicated the ERP's geographical divisions; ECA projects that overlapped into the sphere of grey or black propaganda were closely coordinated with the OPC; and the OPC's charter stipulated that the operations that it embarked on "pertaining to economic warfare be conducted under the guidance of the appropriate agencies and departments," namely the ECA, and the State and Commerce

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<sup>53</sup>The stress that the OPC placed on "the use of foreign agents and indigenous personnel" for its projects is outlined in Charles V. Hulick, Memo. for the Record "Policy Guidance," 19 April 1950, in Warner, *CIA Cold War Records*, pp.323-324.

<sup>54</sup>Wisner, "OPC Projects," 29 October 1949, *FRUS: Intelligence Community*: 730-731.

Departments.<sup>55</sup> There is, however, a key element missing from this picture of close interconnection. The introduction of the Marshall Plan was also accompanied by a less visible, more offensively-oriented complementary *policy*, which took the form of an American-led western embargo of strategic goods to the communist bloc.<sup>56</sup>

Taking cognizance of the fact that World War II had left the Russian economy severely impaired, this policy sought to slow down the rate of recovery and growth of the Soviet Union's military-industrial capacity by preventing Moscow from procuring what were termed 'strategic commodities.' Utilising its various aid packages as political levers, Washington induced all of the Marshall Plan signatories, along with some fifty other countries worldwide, to join the embargo. The principal objectives of the policy were to ensure that the American nuclear monopoly endured for as long as possible and that the relative power of the United States vis-à-vis the Soviet Union was maintained. In light of these aims, Washington adopted a very broad interpretation of what constituted a strategic commodity. Anything that was deemed to provide Moscow with a 'net strategic advantage,' most obviously nuclear materials and munitions, was proscribed, but so too were rubber, steel, and fertilisers – much to the chagrin of those among America's allies whose economic well-being was affected detrimentally by a contraction of trade with the eastern bloc.<sup>57</sup>

The problem with such restrictive and widespread export controls was that they were difficult to enforce. Western businessmen, sometimes with the tacit agreement of their governments, exploited loopholes in the embargo or sought to circumvent it by smuggling goods to the Soviet bloc through clandestine channels set up by the

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<sup>55</sup>Pisani, *The CIA and the Marshall Plan*, p.68, pp.72-73; quote from NSC 10/2, *FRUS Intelligence Community, 1945-50*: 714.

<sup>56</sup>This policy first came into effect with the Commerce Department's introduction of two new export licencing regulations, on 31 Dec. 1947 and 15 Jan. 1948, under remaining wartime export control laws. The embargo policy was later extended with the passage of the Export Control Act of 28 Feb. 1949 – reprinted in Gunnar Adler-Karlsson, with forward by Gunnar Myrdal, *Western Economic Warfare 1947-1967: A Case Study in Foreign Economic Policy* (Stockholm, 1968), pp.217-219 – and was implemented most rigidly through the Mutual Defense Assistance Control Act (more commonly known as the Battle Act) of 1951. The Eisenhower administration moderated this policy under British pressure but left the essentials in place, see Crockatt, *The Fifty Years War*, p.116.

<sup>57</sup>Adler-Karlsson, *Western Economic Warfare*, pp.1-28.

Russians, most notably between eastern and western Germany.<sup>58</sup> To counter these moves Washington engaged in what Forrestal referred to as "the pre-emptive and preclusive buying of strategic commodities." This involved the United States purchasing and stockpiling resources which were vital to the maintenance and expansion of the Soviet power. Demand would thus far exceed supply and Moscow would be either prevented from purchasing these goods altogether or would be forced to pay highly inflated prices for them on the black market, which in turn would place added stress on the Soviet economy.<sup>59</sup>

Wisner's reference to clandestine preclusive buying, market manipulation, and black market operation, then, suggests that his organisation played some role in the implementation of the embargo policy.<sup>60</sup> Beyond this, the detail and mechanics of these and other activities which came under the heading of economic warfare, such as currency speculation and counterfeiting, are a matter of speculation. They were, in essence, enterprises that would fit into Bissell's category of "truly secret" covert operations.<sup>61</sup>

What does appear to be the case is that some OPC projects in the economic sphere, most specifically the creation of front companies, were in part designed with longer-term objectives in mind. The convergence of three major benefits enjoyed by the OPC – an abundance of unvouchered funds, expertise in the fields of wholesale banking and economics, and wide operational latitude – enabled Wisner to establish private companies and banks which, while providing cover behind which the OPC conducted its political action, psychological warfare, and paramilitary activities, also functioned on a *bona fide* basis. In some instances, these corporate structures generated income quite separate from either the OPC's official budget or the monies it received through the counterpart fund arrangement.<sup>62</sup> These 'proprieties,' furthermore, provided the CIA with a source of financing over and above its official budget long after the OPC had been fully merged into the agency and the counterpart funds had ceased to flow in with the demise of the Marshall Plan.

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<sup>58</sup>*ibid*, pp.6-7, p.192.

<sup>59</sup>Quote from Forrestal meeting with Bernard Baruch, 15 July 1947, in Millis (ed.) *Forrestal Diaries*, pp.383-384; Adler-Karlsson, *Western Economic Warfare*, pp.2-7.

<sup>60</sup>Wisner to DCI, "OPC Projects," *FRUS: Intelligence Community, 1945-50*: 730.

<sup>61</sup>Bissell, *Reflections of a Cold Warrior*, pp.208-209.

<sup>62</sup>Lawrence Houston interview in Ranelagh, *The Agency*, pp.217-218.

The history of Civil Air Transport (CAT) stands as a seminal example of "the entrepreneurial drive of OPC personnel in designing projects that paid for themselves while aiding the national security effort."<sup>63</sup> CAT began operating in 1946 as a private concern owned by Major General Claire Chennault and Whiting Willauer. It flew missions in support of the Nationalist Chinese and was purchased by the OPC in what was effectively instalments during 1949 and 1950 for a total of \$950,000. For over twenty years CAT, and Air America as it became known after the reorganisation of the CIA's Far Eastern air arm in 1959, provided air support under commercial cover for the CIA and other American government agencies in the Far East. The employer of over 11,000 personnel, the airline ran an enormous maintenance facility in Taiwan, and turned over \$30 million in net profits to the Treasury Department when it was liquidated in 1973.<sup>64</sup>

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#### EUROPEAN THEATRE OPERATIONS

If the OPC's own ventures benefited greatly from its access to an abundance of resources, then so too did the operations that the organisation mounted in conjunction with America's western allies. This was evident in the close links that the OPC forged with the British Secret Intelligence Service (SIS or MI6). Anglo-American cooperation in the field of special operations had wartime precedents which had seen the British security forces provide training and operational support for the OSS.<sup>65</sup> The OPC-SIS partnership was, however, founded on the fact that, though MI6 had experience in the field of covert action which far exceeded that of its American counterpart, Whitehall lacked the financial muscle to put this expertise to full use. A key role of the OPC, at least during the early stages of its existence, was therefore to

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<sup>63</sup>Quote from Lawrence Houston in Pisani, *The CIA and the Marshall Plan*, p. 144.

<sup>64</sup>Leary, *Perilous Missions*.

<sup>65</sup>*War Report of the OSS (Office of Strategic Services)*, Prepared by History Project, Strategic Service Unit, Office of the Assistant Secretary of War, War Department, Washington D.C., 5 September 1947, new introduction by Kermit Roosevelt (New York, 1976), pp. 193-205.

act as banker and ensure that British-originated ideas had a chance to come to fruition.<sup>66</sup>

For Wisner, the benefits of collaboration with SIS were essentially twofold. Exposure to British techniques put the OPC on a steep learning curve, which provided it with the know-how to take full control of projects that began as Anglo-American affairs, such as the Albanian and Iranian operations.<sup>67</sup> Being custodians of a still-extensive though declining empire, the British also tended to control strategically-useful locations for the mounting of covert operations, as the use of Malta as a training base and jump-off point for the Albanian operation demonstrates.<sup>68</sup>

The resources-for-expertise basis on which the OPC-SIS relationship functioned in its formative period was equally prominent during the early western attempts to support anti-Soviet partisan movements in the Baltic States. In 1949, MI6 devised a plan to use the Royal Navy's Baltic fisheries patrol as cover to infiltrate agents into Latvia, Lithuania, and Estonia by boat. The drawback was that, while the British were in an opportune position to mount such a venture since their occupation zone in Germany included the Baltic coast, budgetary constraints prevented SIS from acting.

Once again, the OPC stepped in with the necessary finance. A three-way division of labour and responsibility subsequently developed, whereby Wisner provided the funds and MI6 refitted the E-Boats that were used for the mission and planned and directed the project.<sup>69</sup> The third contingent in the partnership was a former Wehrmacht intelligence unit which, under the command of General Reinhard Gehlen, had been preserved intact by the American Army at the end of the war.<sup>70</sup> Deployed by the OPC to spy on and conduct operations against the Soviet Union, the Gehlen organisation recruited the crews for the Anglo-American boat operations, drawing

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<sup>66</sup>Nicholas Bethell, *The Great Betrayal: The Untold Story of Kim Philby's Biggest Coup* (New York, 1984), pp.33-39.

<sup>67</sup>Winks, *Cloak and Gown*, pp.398-402; Christopher M. Woodhouse, *Something Ventured* (London, 1982), pp.110-135.

<sup>68</sup>Kim Philby, *My Silent War* (London, 1969), p.142; Winks, *Cloak and Gown*, pp.396-397.

<sup>69</sup>Prados, *Presidents' Secret Wars*, p.41.

<sup>70</sup>Reinhard Gehlen, *The Service* (New York, 1972), p.146; Mary Ellen Reese, *General Reinhard Gehlen: The CIA Connection* (Fairfax, Va, 1990), p.4.

from one-time German motor torpedo flotilla personnel who had served in the Baltic during the war.<sup>71</sup>

The sea-borne enterprises in the Baltic were but a few of the many collaborative ventures that the OPC mounted using of erstwhile enemies (see appendix 1). During his time as Deputy Under Secretary of State for Occupied Areas, Wisner and his State Department colleagues at the PPS began to examine the potential for utilising the 700,000 refugees who had fled Eastern Europe in the face of the Red Army's advance in 1944 and 1945. Temporarily settled in the Displaced Persons (DP) camps that dotted Western Europe in the early postwar years, these émigrés were predominantly anticommunist. They therefore provided a vast pool from which Wisner sought to draw in order to: (1) acquire information about the Soviet Union; (2) establish various front organisations, for instance student and farmers' groups, in an effort to mirror and in turn counter the tactics used by the Kremlin; and (3) recruit agents, guerrilla groups, and private armies to be deployed in the event of war, either to confront the Red Army directly or to function as stay-behind units.<sup>72</sup> A key element in the OPC's overall mission, this programme came into force under the code-name of Operation Bloodstone as soon as Wisner's organisation became functional.

The DPs earmarked for recruitment by the OPC varied widely in cultural background, ethnicity, and political persuasion, ranging from social democrats and anti-Stalinist Marxists on the left to monarchists of an authoritarian stamp on the right. Also included in this broad band of anti-Soviet discontent, however, were ex-allies of the Third Reich.<sup>73</sup> Indeed, American efforts to reconstitute *some* of the resources that the Nazis had established to counter the Russians during World War II were crucial to Operation Bloodstone, and for being the coauthor and instigator of this strategy, Wisner has attracted the indignation of critics such as Christopher Simpson and John Loftus.<sup>74</sup>

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<sup>71</sup>Prados, *Presidents' Secret Wars*, pp.41-42.

<sup>72</sup>PPS/22, "Utilization of Refugees from the Soviet Union in U.S. National Interest, 5 February 1948, in Anna Kasten Nelson, (ed.) *The State Department Policy Planning Staff Papers, 1947-1949* (New York, 1983), pp.88-90.

<sup>73</sup>Hersh, *The Old Boys*, pp.224-229; Simpson, *Blowback*, pp.96-106.

<sup>74</sup>Loftus, *The Belarus Secret*; Simpson, *Blowback*, pp.18-21.

Viewed from an entirely objective standpoint, however, the ADPC was not in a position to allow moral ambiguities to take precedent over the practicalities of launching a wide-ranging covert action programme. The OPC, it should be noted, began life in September 1948 with a staff of ten and under pressure from the Pentagon to become fully operational as quickly as possible.<sup>75</sup> In such circumstances, Wisner had to exploit whatever viable resources and expertise were available, including former German diplomats and military personnel with first-hand experience of fighting the Russians. To a greater or lesser extent, any German who had served, or non-German who had collaborated with, Hitler was tainted by Naziism. What the OPC did was balance the degree to which the individuals it sought to recruit were tainted against the advantages their recruitment would bring in countering a Soviet Union which Wisner regarded as being as malevolent as the Nazis had been. The application of this axiom meant that few ex-Nazis had chequered enough pasts to be precluded from working for the OPC.<sup>76</sup> Indeed, the 1949 Central Intelligence Act permitted émigrés who were of use to the OPC, but who might not meet with American immigration requirements, to enter the United States at the rate of one hundred per year.<sup>77</sup>

The case of Gustav Hilger is instructive of the choices faced by the OPC. A one-time career diplomat, Hilger specialised in the recruitment of collaborators to fight alongside the Germans on the eastern front during the war. He had also been Foreign Office liaison to the SS and in this capacity had been party to the imprisonment and murder of Gypsies and Jews in Eastern Europe and Italy. For the OPC, however, the pluses outweighed the minuses and Hilger was employed to help organise underground émigré forces to be deployed in Eastern Europe and the Ukraine.<sup>78</sup> There was, moreover, the additional point that Washington knew little about its communist adversaries. The know-how of Hilger and other ex-Nazis and collaborators, such as Baron Otto von Bolschwing, the SS envoy to Rumania, and Nikolai N. Poppe, an anti-Stalinist quisling and expert on Soviet South and Central

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<sup>75</sup>Thomas, *The Very Best Men*, p.32.

<sup>76</sup>*ibid*, pp. 35.

<sup>77</sup>Central Intelligence Agency Act of 1949, 20 June 1949, in Warner, *CIA Cold War Records*, pp287-294, (immigration clause on p.292).

<sup>78</sup>Simpson, *Blowback*, pp.112-115.

Asia, could be brought to bear in the analysis of Moscow's policy aims and of captured Russian records.<sup>79</sup>

Similar ambiguities characterised the OPC's relationship with the Gehlen organisation. The former *Fremde Heere Ost* (Foreign Armies East) intelligence division was widely believed to harbour ex-Nazis, but the advantages of working with it overrode any ethical considerations. In return for being granted a continuing role in the field of intelligence after the war had ended, Gehlen turned over to his American captors the extensive espionage network that he had built up during the hostilities. With access to the German general's files and control of the agents in his employ who had remained behind Russian lines when the Red Army advanced westward, the OPC and OSO inherited a substantial foundation on which to build.<sup>80</sup> Equally advantageous was Gehlen's reconstitution of the *Fremde Heere Ost* technical staff, which acted on behalf of the OPC, vetting, training, and evaluating recruits for inclusion in the underground paramilitary irredentist forces envisaged in Operation Bloodstone.<sup>81</sup>

All of the major studies on the OPC underline the futility of the offensive operations it conducted against the Soviet bloc, and looked at purely in terms of the end product of Wisner's efforts, this certainly is the case.<sup>82</sup> Stalin was, for sure, a determined and ruthless adversary. His intelligence and security apparatus maintained tight control over all of the Soviet satellites and brought its long experience to bear in dealing with

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<sup>79</sup>[Gustav Hilger], "Observations on the Communist 'Peace Offensive,'" 21 Jan. 1949, in Warner, *CIA Cold War Records*, pp.243-246; for details on Otto von Bolschwing and Poppe see Hersh, *The Old Boys*, p.251, pp.277-278, and Simpson, *Blowback*, pp.252-262. Simpson portrays Poppe as having been associated with war crimes, see *Blowback*, pp.119-120, but Miscamble's research of the Poppe case suggests that he was a victim of circumstance who had little choice other than to work with the Nazis and was neither directly nor indirectly involved in war crimes, see Miscamble, *Kennan*, pp.183-184. For Poppe's own account see Nicholas Poppe, *Reminiscences*, edited by Henry Schwartz (Washington D.C., 1983).

<sup>80</sup>Reinhard Gehlen, *The Service*, pp.106-143; Reese, *Gehlen*, pp.47-48, pp.106-108.

<sup>81</sup>Hersh, *The Old Boys*, p.268; Prados, *Presidents' Secret Wars*, pp.40-41.

<sup>82</sup>Ranelagh, *The Agency*, pp.149-228; Prados, *Presidents' Secret Wars*, pp.30-90; Hersh, *The Old Boys*, pp.240-311; Thomas, *The Very Best Men*, pp.32-86.

'the nationalities problem.'<sup>83</sup> Deportations were, for example, common-place in the Baltic States, Moldavia, and the Western Ukraine as part of the Soviet drive to take away the foundations of support on which the guerrilla movements relied.<sup>84</sup> Another tactic saw the Soviet intelligence create false-flag units which posed as partisan militias and committed atrocities aimed at turning local populations against the very groups that were fighting for the freedom of these 'captive peoples.'<sup>85</sup>

The result was that the Eastern European partisan movements, such as the United Democratic Resistance Movement in Lithuania and the Organisation of Ukrainian Nationalists (OUN), both of which had been strong in the immediate aftermath of World War II, had been either neutralised or seen their strength reduced significantly by 1949. The agent teams that the OPC and the other western intelligence agencies parachuted, or infiltrated by boat, into the denied areas thus arrived too late to make any real impact.<sup>86</sup> Equally debilitating was the fact that the operations that the OPC conducted, either on its own initiative or in conjunction with the SIS and/or the Gehlen organisation, were thoroughly penetrated by the MGB and GRU. At the highest level, Wisner and his colleagues were betrayed by Harold Adrian Russell (Kim) Philby, the MI6 liaison officer in Washington between 1949 and 1951, and by Heinz Felfe, a senior official of the Gehlen organisation who had served in the SS and was blackmailed by the NKVD into working as a double agent under threat of disclosure to the denazification court.<sup>87</sup> Further down the chain of command, Soviet

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<sup>83</sup>The Soviet intelligence apparatus went through a number of changes during the first ten years of the postwar era. In March 1946 the People's Commissariat for Internal Affairs (NKVD) and the People's Commissariat for State Security (NKGB) were raised in status from Commissariats to Ministries to become the Ministry of Internal Affairs (MVD) and the Ministry of State Security (MGB). Following Stalin's death in 1953 the two organisations were merged into an enlarged MVD. In March 1954 the MGB was once again removed from the MVD and downgraded from a Ministry to become the Committee of State Security (KGB). These organisations operated alongside Soviet Military Intelligence (GRU), for further details see Christopher Andrew and Oleg Gordievsky, *KGB: The Inside Story of Its Foreign Operations from Lenin to Gorbachev* (London, 1990), p.279, p.347, p.353.

<sup>84</sup>Robert Service, *A History of Twentieth Century Russia* (London, 1997), p.297

<sup>85</sup>Prados, *Presidents' Secret Wars*, p.39.

<sup>86</sup>*ibid*, pp.41-44, pp.53-57.

<sup>87</sup>For the best account of Philby as SIS liaison in Washington see Cave Brown, *Treason in the Blood*, pp.391-438; Felfe was described by Markus Wolf, the East German spymaster, as having done

"damage on a scale accomplished by only such double agents as Kim Philby, George Blake, and Aldrich

intelligence had riddled the DP camps with spies, some of whom passed CIC and Gehlen organisation vetting procedures and were recruited by the OPC, only to compromise the operations in which they were involved.<sup>88</sup>

There was, as well, a tendency on the part of the OPC, and indeed MI6, to allow their determination to weaken the Soviet empire to run ahead of caution. The most conspicuous example of this trait, and of the dexterity that the Kremlin's security forces showed in exploiting such western weaknesses came with the Anglo-American effort to support the Freedom and Independence Movement (WiN) in Poland. Beginning in 1950, this fiasco saw the MGB trick the OPC and SIS into revising their belief that anticommunist resistance in Poland had been wiped out by 1947, which was in fact true, and supporting WiN.<sup>89</sup> For nearly two years WiN was supplied with money, radio transmitters, and ammunition from the West until, in December 1951, Polish Radio broadcast details of the bogus nature of the organisation. Moscow was, in the process, presented with a huge propaganda triumph.<sup>90</sup>

Focusing on the failures of Wisner's organisation in Eastern Europe, however, detracts from the crucial point that the OPC's mission in this region was largely a preparatory one. The fundamental purpose of forging contacts with the resistance movements inside the communist bloc was to create the capability to attack the Red Army behind its own lines in the event of a Soviet invasion of Western Europe. The agent teams infiltrated behind the Iron Curtain had orders to contact and assist paramilitary and political resistance groups, but not to fight alongside the partisans with whom they made contact except in the event of war.<sup>91</sup> The fact that war did not break out makes it difficult to gauge how successful this strategy really was.

In the meantime, Wisner's preferred option was to put the "molecular theory" into practice, whereby the emphasis shifted away from the support of partisan movements,

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Ames," see Markus Wolf, with Ann McElvoy, *Man Without a Face: The Autobiography of Communism's Greatest Spymaster* (London, 1997), p.51. Wolf's comments are not, however, entirely accurate. Philby was not strictly a double agent. He was a Soviet agent from the start, who joined the SIS at Moscow's behest.

<sup>88</sup>Prados, *Presidents' Secret Wars*, p.58.

<sup>89</sup>Powers, *Man Who Kept the Secrets*, p.41.

<sup>90</sup>Rositzke, *The CIA's Secret Operaitons*, p.171; Andrew and Gordievsky, *KGB*, p.320.

<sup>91</sup>Prados, *Presidents' Secret Wars*, p.43

and towards the cultivation of politically-oriented organisations, such as the National Labour Alliance (NTS) in Russia, which was in fact also penetrated by the Soviet security forces.<sup>92</sup> Misguided as they were, OPC calculations had it that this latter category of groups could, if provided with sufficient support, act as catalysts for the promotion of ever widening dissent which would gradually gather momentum and ultimately bring down the Soviet edifice from within.<sup>93</sup> The attraction of this strategy was that it dovetailed with Wisner's psychological warfare offensive. Envisaged as serving medium to long-term aims, this programme saw the OPC use high level balloons to airdrop millions of leaflets behind the Iron Curtain and broadcast propaganda, firstly into Eastern Europe under aegis of Radio Free Europe (RFE) from 1951, and later to the Soviet Union through Radio Liberty from 1953. Dubbed collectively as "the Mighty Wurlitzer," Wisner's radio networks were technically under private ownership but received an estimated \$30 to \$35 million yearly from the OPC/CIA over the next two decades and proved to be the most effective of all America's propaganda tools during the entire Cold War period.<sup>94</sup>

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#### THE FAR EASTERN DIMENSION

Though OPC offensive covert action anticipated NSC 68, the authorisation of this directive and the outbreak of the Korean War provided the impetus for the enormous growth of Wisner's organisation that was to take place over the next two years.<sup>95</sup> To begin with, the conflict opened the way for a geographical expansion of OPC activities. Prior to this juncture General Douglas MacArthur, who harboured an enormous distrust of the CIA, hampered the very limited efforts made by the OPC to operate in the Far Eastern theatre, of which he was commander in chief. The situation was, however, altered irrevocably once North Korea had invaded its southern neighbour, for in reaction the State Department and the JCS requested the initiation of paramilitary and psychological warfare operations against North Korea and China,

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<sup>92</sup>*ibid*, p.56; Andrew and Gordievsky, *KGB*, p.321.

<sup>93</sup>Prados, *Presidents' Secret Wars*, pp.55-56.

<sup>94</sup>Michelson, *America's Other Voice*; Meyer, *Facing Reality*, pp.110-112; Ranelagh, *The Agency*, p.216

<sup>95</sup>*Church Report*, Bk.1, p.23

which were to fall under the agency's jurisdiction (see appendix 5).<sup>96</sup> The OPC's functional parameters were thus simultaneously extended, particularly after the front had stabilised in mid 1951 and the authorisation of NSC 10/5 – which superseded NSC 10/2 – provided for a widening of CIA clandestine activities.<sup>97</sup>

The growth of the OPC in the Far East had a knock-on effect, for it led other regional divisions to press for comparable increases.<sup>98</sup> Furthermore, the widespread western perception that Korea was a decoy for a more significant communist offensive elsewhere ensured that these arguments did not fall on deaf ears. The fact that Congress was willing to authorise \$100 million for stay-behind units in the event of war breaking out in Europe is evidence of this.<sup>99</sup> Indeed, the Church Report estimated that by 1952 there were approximately forty different covert action projects under development in Central Europe alone.<sup>100</sup>

Statistics aside, the OPC's track record in the Far East approximated the European pattern. Defensive covert action programmes generally proved successful in advancing American interests, as the counterinsurgency campaign mounted under the direction of Edward G. Lansdale – an Air Force colonel contracted first to the OPC then to the CIA – against the Hukbalahap guerrillas (Huks) in the Philippines between 1950 and 1954, demonstrates.<sup>101</sup> Conditions in the Philippines were, however, more favourable than in many of the host countries in which the CIA operated. To begin with, the Philippines had been a colony of the United States until 1946. Indeed, Washington had suppressed an insurrection there at the turn of the century, thus setting a precedent for Lansdale to follow.<sup>102</sup> Moreover, though many of the Huks were communists, the uprising itself derived from the inequitable distribution of land

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<sup>96</sup>Karalekas, *History of the CIA*, pp.35-36.

<sup>97</sup>Montague, *Smith-DCI*, p.208.

<sup>98</sup>Copeland, *Game Player*, p.124.

<sup>99</sup>Grose, *Gentleman Spy*, p.322.

<sup>100</sup>Karalekas, *History of the CIA*, p.36.

<sup>101</sup>Edward G. Lansdale, *In the Midst of Wars: An American's Mission to Southeast Asia* (New York, 1972), pp.49-88; Douglas Blaufarb, *The Counterinsurgency Era: U.S. Doctrine and Performance, 1950 to the Present* (New York, 1977), pp.20-32, 38; H.W. Brands, *Bound to Empire: The United States and the Philippines* (New York and Oxford, 1992), pp.227-265; Ranelagh, *The Agency*, pp.225-226; McClintock, *Instruments of Statecraft*, pp.106-114.

<sup>102</sup>Brands, *Bound to Empire*, pp.39-59.



on the Luzon Plain, from where the bulk of the guerrillas came. The nature of the problem was therefore far more parochial than the Manila government's depiction of it, which was couched in pure ideological terms. The insurgency was, then, one that was associated with the Cold War, rather than one which was initiated and directed by Moscow to serve wider Soviet objectives, and the CIA well understood this.<sup>103</sup>

Consequently, Lansdale's task was primarily a political one: to cut back Huk strength by fostering agrarian and wider democratic reform, thereby diminishing the grievances on which the insurgents thrived, while simultaneously using military means to bring about a slow ebbing away of Huk strength. This policy required the use of psychological warfare, political action, and paramilitary stratagems for its fulfilment, and had succeeded in breaking the back of the insurgency by 1954.<sup>104</sup>

If defensive covert action proved instrumental in defeating a localised communist-dominated challenge in the Philippines, then the offensive operations mounted by the OPC in Asia proved to be ill-conceived and, save for a few endeavours launched in direct support of the Korean War effort, served only to frustrate American designs. Domestic and foreign policy considerations dictated that "Truman had to do something about the Red Chinese but not something so draconian that it would drag the United States into a world war," and covert action seemed to provide "a measured response" in light of these imperatives. Under the direction of Desmond Fitzgerald, OPC objectives in the Far East were essentially threefold: (1) to support the American effort on the Korean peninsula itself; (2) to organise incursions onto the Chinese mainland in the hope that such moves would divert People's Liberation Army (PLA) divisions away from the Korean theatre; and (3) to test the extent of Beijing's control over its outer provinces. Applying similar tactics to those used in Europe, Fitzgerald capitalised on existing anticommunist strength. Nationalist Chinese agents were parachuted from CAT planes into Manchuria with the aim of mobilising resistance to Mao there. A Nationalist Chinese force of several thousand men, which under General Li Mi had escaped into Burma in 1949, mounted an insurgency, under OPC direction, from that country into Yunan province on China's southern flank.<sup>105</sup>

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<sup>103</sup>CIA, "The Current Situation in the Philippines," 30 March 1949, Central Intelligence Agency Reports, folder 1948-1950, (2 of 2), box 251, Intelligence File, PSF, Truman Papers, HSTL.

<sup>104</sup>Lansdale, *In the Midst of Wars*, pp.52-57; Blaufarb, *The Counterinsurgency Era*, pp.20-32.

<sup>105</sup>Thomas, *The Very Best Men*, pp.50-59, quote on p.56.

These enterprises were, however, unqualified failures, firstly because the assumptions that informed their design were entirely inaccurate: that Mao's grip on power was weaker than was actually the case and that resistance to his rule was greater than proved to be true. For example, Fitzgerald believed, at least in the initial stages of the China campaigns, that American support would serve as the touch-paper for a half million anticommunist guerrillas on the Chinese mainland to rise up against Beijing. The OSO assured him that no such force existed, but he continued regardless. The second major drawback was that the OPC campaigns in mainland China were as thoroughly penetrated as those mounted in Eastern Europe.<sup>106</sup>

Whether resistance on the scale that Fitzgerald originally anticipated would have surfaced in the event of a third world war involving the PRC is, as in the case of the underground movements of Eastern Europe, a matter of conjecture. What can be said with certainty is that the spread of the Cold War to the Far East, like the advent of the OPC, served as a key dynamic in the evolution of the CIA in general and of its covert action mission in particular between 1948 and 1953. There is, however, a third vital element to be taken into account in gauging the agency's development during this formative period: the personality, professional status, and organisational skills of General Walter Bedell Smith, who succeeded Hillenkoetter in October 1950 and served as DCI until February 1953.<sup>107</sup>

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#### THE BEDELL SMITH REFORMS

The events leading up to Bedell Smith's becoming DCI began in the autumn of 1948 when the Truman administration appointed Allen Dulles, William H. Jackson, and Mathias Corea, all of whom were New York lawyers with experience in the field of intelligence, to investigate the workings of the CIA. Completed in January 1949, the Dulles-Jackson-Corea report criticised Hillenkoetter's leadership and called for sweeping reforms of the agency, including the merger of the OSO and the OPC.<sup>108</sup>

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<sup>106</sup>*ibid*, pp.50-59.

<sup>107</sup>Montague, *Smith-DCI*, xvii.

<sup>108</sup>Report From the Intelligence Survey Group to the National Security Council, "The Central Intelligence Organization and the National Organization for Intelligence," 1 Jan. 1949, *FRUS: Intelligence Community, 1945-50*: 903-911.

The National Security Council's adoption of most of the report's recommendations, as NSC 50, during the following July signalled Truman's intention to replace Hillenkoetter, but the move was postponed for a year as the White House temporised over the selection of his successor.<sup>109</sup> What made the DCI's position untenable and accelerated his removal was Kim Il Sung's violation of the thirty-eighth parallel and the fact that it took Washington by surprise.<sup>110</sup> Truman consequently opted to appoint Bedell Smith to head the CIA and implement the measures outlined in NSC 50.

A point that is made abundantly clear in the official CIA account of Bedell Smith's period as DCI is that he did not initially want the job. It took a presidential order and an appeal to duty on the part of Truman himself to prompt Smith, who was in the throes of recuperating from a serious stomach operation and was considering retirement, to accept the appointment. Moreover, knowledge of the intelligence community was not the key imperative in the selection of the general. Rather, it was his high rank, renown as an organiser, and right-wing anticommunist credentials – which had sharpened during his period as ambassador to Moscow between 1946 and 1949 – that took precedence over other considerations.<sup>111</sup> Logic had it that, with McCarthyism on the rise, a DCI who was widely known to hold hard-line views would provide a buffer for protecting the allegedly liberal CIA in the event of a challenge from the Wisconsin senator. McCarthy had indicated that after scrutinising the State Department he would focus his attention on the CIA, and his efforts were fuelled by J. Edgar Hoover who, after the FBI's loss of jurisdiction over intelligence activities in Latin America to the CIA in 1947, promoted what was essentially interdepartmental rivalry behind an anticommunist veil.<sup>112</sup>

Nevertheless, on becoming DCI Smith found, in the assessment of one operative, "the kind of vacuum he liked to fill," and set about satisfying what he, Smith, described as

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<sup>109</sup>National Security Council, NSC 50, 1 July 1949, in Warner, *CIA Cold War Records*, pp.295-314.

<sup>110</sup>The CIA did warn of the potential for a North Korean attack on the South in ORE 41-49.

"Consequences of US Troop Withdrawal From Korea in Spring, 1949," 28 Feb. 1949, *ibid*, pp.265-274. The agency failed, however, to give sufficient tactical warning in the run-up to the invasion-proper, concluding as late as 19 June 1950 that North Korea had contemplated an invasion but had called it off, preferring to confine its actions to propaganda and subversion, Gaddis, *We Now Know*, p.75.

<sup>111</sup>Montague, *Smith-DCI*, pp.55-56, pp.6-7.

<sup>112</sup>Ambrose, *Ike's Spies*, pp.168-170; Jeffreys-Jones, *CIA and American Democracy*, pp.65-75.

the nation's need for "an effective *intelligence* organisation."<sup>113</sup> Some indication of the general's own inclinations as to which CIA functions should be prioritised were implicit in this quote. Throughout his three years as DCI, Smith consistently expressed concern that the agency's growing preoccupation with covert action was diverting attention away from what he saw as its principal mission of intelligence collection.<sup>114</sup> The continuing war in Korea, however, made certain that Smith's efforts to limit the CIA's covert operational commitments were frustrated.

The DCI was most specifically concerned about the magnitude of the CIA's guerrilla warfare operations. Smith contended that unlike the agency's political operations, guerrilla warfare projects were hardly covert and should therefore fall under the jurisdiction of the Defense Department and the military.<sup>115</sup> More generally, Smith recognised from the moment that he took control of the CIA that the anomalous relationship between the agency and its covert action branch should be terminated. An arrangement which found the DCI with no management authority over the OPC, in spite of the fact that its budget and personnel were allocated through the CIA, was as unacceptable to Smith as it had been to his predecessor. All other considerations aside, such a situation carried the potential for an unchecked OPC to accelerate out of control. Smith regarded this as a very real prospect, given what he saw as Wisner's unquestioning faith in the efficacy of covert operations combined with the unprecedented level of resources that were being poured into such activities.

Bedell Smith's rank and forceful temperament ensured that he succeeded where Hillenkoetter had failed and in October 1950, only days after Smith had taken office, representatives of State, Defense, and the JCS formally accepted that the DCI would henceforth assume control of the OPC.<sup>116</sup> The problem for Smith was, however, that the NSC itself had shown no desire to curb the OPC. Consequently, in the absence of any real guidance from the highest level as to what was permissible and what was not, Smith established an internal guidance body in the form of the Psychological Strategy

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<sup>113</sup>Copeland, *Game Player*, p.124; Smith quoted in Jeffreys-Jones, *CIA and American Democracy*, p.66.

<sup>114</sup>Montague, *Smith-DCI*, p.204.

<sup>115</sup>*ibid.*

<sup>116</sup>Karalekas, *History of the CIA*, p.37.

Board (PSB) to sanction, and where necessary veto, through what were termed murder boards, proposals for covert operations.<sup>117</sup>

Despite the existence of such provisions, the DCI remained cautious about testing the limits of his authority. Smith's predicament springs clearly to light in an example cited by Peter Grose. In this instance, the DCI became troubled by the potential legal repercussions of activating "a particularly audacious covert action plan." Reasoning that such a project would, if exposed, seriously jeopardise his own and the country's standing, Smith sought Truman's advice as to how to proceed.<sup>118</sup> No such reticence was, however, displayed in the president's response, for he held to the view that prevailed across the administration generally, namely that a broad scope of clandestine activity was fully justified on the basis of meeting an aggressive Soviet challenge. Truman, in fact, adhered so resolutely to this standpoint that he granted Smith a blanket pardon to allay any further apprehensions he might have in carrying out his duty.<sup>119</sup>

The president's willingness to take such an unprecedented step demonstrated that he held Smith in high regard. Montague's account maintains that such good relations between the president and his DCI arose partly from the fact that both had risen from humble beginnings and shared a similar distrust of West Pointers.<sup>120</sup> That the president overrode the objections of Army Chief of Staff, General Omar N. Bradley (a West Pointer) to make Smith a four star general in August 1951, lends weight to this argument. There was as well the point that "Truman had personally selected Smith to be DCI, had personally overcome Smith's reluctance to accept that office, and probably felt a corresponding personal obligation to Smith for having done so."<sup>121</sup>

It is, however, the general's professional aptitude that stands out as the most crucial imperative in commending him to the White House. Immediately on becoming DCI, Smith began an overhaul of the agency's estimating procedures which saw the dismantling of the ORE and the subdivision of the agency's intelligence functions to establish six new specialist branches. The most important of these was the Office of

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<sup>117</sup>*ibid*, p.35.

<sup>118</sup>Grose, *Gentleman Spy*, p.327.

<sup>119</sup>*Church Report*, Bk.1, p.107; Grose, *Gentleman Spy*, p.327.

<sup>120</sup>Montague, *Smith-DCI*, pp.232-234.

<sup>121</sup>*ibid*, p.232.

National Estimates (ONE), through which the DCI was able to provide Truman with concise Friday morning briefings that proved to be of great assistance to the president in the decision making process.<sup>122</sup>

Bedell Smith's restructuring of the CIA's intelligence mission led ultimately to the creation of the Deputy Directorate for Intelligence (DDI) in January 1952. This was essentially one in a triumvirate of components which also included the Deputy Directorate for Administration (DDA), through which Smith sought to tighten up the internal management of the agency (see appendix 6). The third pillar on which the revised CIA rested was the Deputy Directorate for Plans, which was born as much out of a determination to resolve the persisting friction between the OSO and the OPC, as on any desire on Smith's part to streamline the CIA's covert action mission.<sup>123</sup>

Colby presents the integration of the agency's two secret operational cultures as having been a "shotgun marriage."<sup>124</sup> Yet the Church Report and the CIA's own account of events depict the creation of the DDP as a far more gradual affair. Relations between the OSO and the OPC had been stormy to say the least from 1948, when the latter group was formed. In brief, resentment over salary differentials and an unwillingness to cooperate in areas where OSO and OPC interests overlapped ensured that a permanent gulf remained between the professionals of intelligence collection on the one hand, and the elitist "Park Avenue cowboys" recruited by Wisner from the Ivy League on the other.<sup>125</sup> A solution to the problem put forward by Allen Dulles, who became Deputy Director of Plans in January 1951, was the merger of the two groups.

Dulles's proposal met with general approval in the higher echelons of the agency, where the capacity to conduct covert operations was for the most part regarded as a boon to the CIA's prestige, but the DCI himself at first resisted making such a move. Throughout much of 1951 Smith entertained hopes of shedding the mission of covert subversion that had been thrust on the agency with the onset of the Korean War. The promotion of Dulles, an influential enthusiast of clandestine action, to Deputy Director of Central Intelligence (DDCI) in late August 1951, however, signalled the general's

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<sup>122</sup>Church Report, Bk.1, pp.103-104; Montague, *Smith-DCI*, pp.232-234.

<sup>123</sup>Church Report, Bk.1, p.108.

<sup>124</sup>Colby and Forbath, *Honourable Men*, p.100.

<sup>125</sup>Church Report, Bk.1, pp.107-108; Grose, *Gentleman Spy*, p.323.

realisation that such hopes could not be fulfilled (unlike his predecessor, William Jackson, Dulles functioned as a "super DDP", focusing on covert action rather than wider intelligence matters).<sup>126</sup> Consequently, from this juncture a transitional period of "benign co-ordination" began which paved the way to the establishment of the DDP in August 1952.<sup>127</sup>

The extent to which the covert action mission had come to dominate the CIA by this time was readily apparent in the personnel changes that came about with the birth of the DDP. Wisner became Deputy Director of Plans, which meant that two of the three top positions in the agency were filled by strong proponents of clandestine action. Though Richard Helms from the OSO was appointed as Wisner's second in command to "strike a balance at senior level," tension continued between the agency's two formerly independent operational components.<sup>128</sup> Some measure of what each camp perceived to be the effects of the merger is discernible from the differing accounts of Colby and Copeland. Colby, whose background was with the OPC, which was widely judged to have gained most from integration, maintains that the merger opened his mind to the benefits of espionage.<sup>129</sup> Former OSO operatives such as Copeland, on the other hand, harboured continuing concerns that the CIA's intelligence collection mission was being engulfed by covert action projects.<sup>130</sup> What the creation of the DDP did, for certain, result in was the maximum development of covert operations.

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## CONCLUSION

The 1948 to 1953 period saw the largest and most comprehensive expansion of CIA covert action in the agency's history. Against a backdrop of intensifying international turmoil, and under the control of as anomalous an organisation as Washington has ever created, CIA clandestine operations became a key means through which the United States sought to undermine its communist adversaries. This era saw the agency build on the precedent it set during the Italian elections, mounting successful projects

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<sup>126</sup>Montague, *Smith-DCI*, pp.217-227.

<sup>127</sup>Karalekas, *History of the CIA*, p.38.

<sup>128</sup>*ibid.*

<sup>129</sup>Colby and Forbath, *Honourable Men*, p.100.

<sup>130</sup>Copeland, *Game Player*, pp.137-138.

throughout Western Europe and chalking up its first major victory in Asia, with the defeat of Hukbalahap insurgency in the Philippines. Equally significant was the authorisation of offensive covert action, which quickly became a favoured weapon of engagement for a Truman administration that sought to contain communism effectively while at the same time adopting as coercive an approach to fighting the Cold War as was possible without triggering all-out conflict with Moscow and/or Beijing.

In rising to the challenge of penetrating the Iron and Bamboo Curtains the OPC met with few documented victories, but to dismiss its efforts altogether is to overlook the fact that much of what it attempted was done in preparation for a third world war which thankfully never happened. Indeed, there was a strong preparatory dimension to the entire OPC project, for the mushrooming of its manpower and the burgeoning budgets that filled its coffers, both from official sources and through the ECA, enabled Wisner to create a worldwide network that included CIA-owned banks, private businesses, and front organisations. These proprietaries were to prove indispensable to the successful prosecution of agency projects for the next thirty years. With respect to its operational parameters, the OPC was permitted enormous scope, but encountered severe setbacks in carrying out its mission in the 'denied areas.' Nowhere was the chasm between the ambitions that Wisner and his colleagues entertained in acting against the communist bloc, and what they actually achieved in pursuing these ambitions, more pronounced than in the four year clandestine action offensive that the OPC/DDP mounted against communist Albania.

## CHAPTER 4

### OPC INTERVENTION IN ALBANIA: AN EXPERIMENT IN OFFENSIVE COVERT ACTION

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Between 1949 and 1953, the OPC/DDP conducted a covert operation, initially in partnership with MI6 but from 1952 as an exclusively-American enterprise, to bring about the downfall of the Soviet-controlled communist regime which, under Enver Hoxha, had ruled Albania since the end of World War II. Code-named BGFIEND and envisaged as "a clinical experiment to see whether larger rollback operations would be feasible elsewhere," the Albanian project was *the* archetypal offensive covert action campaign, in that it marked the first and only western attempt to unseat a communist regime within the Soviet orbit.<sup>1</sup> That the venture was also an unqualified failure that "proceeded resolutely from one disaster to another," is nowhere contested.<sup>2</sup> What remains open to question is why this should have been the case.

Most treatments of BGFIEND attribute varying degrees of blame for the debacle to Kim Philby, who as MI6 liaison officer in Washington played an instrumental role in coordinating and managing the British dimension of the operation. Philby was, of course, a Soviet agent who, by his own admission, betrayed the venture until he was uncovered by the CIA in mid 1951.<sup>3</sup> His treachery goes only part of the way towards

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<sup>1</sup>The code-name BGFIEND is revealed in Thomas, *The Very Best Men*, p.38; quote from Anthony Verrier, *Through the Looking Glass: British Foreign Policy in an Age of Illusions* (London, 1983), p.76; Rositzke, *The CIA's Secret Operations*, p.173.

<sup>2</sup>Quote from Winks, *Cloak and Gown*, p.399.

<sup>3</sup>Of the primary works dealing with the Albania operation Philby, *My Silent War*, is illuminating if only because it gives an inside view of the working relationship between MI6 and the CIA, and of how these organisations regarded their Albanian charges. It needs to be treated with caution, however, given Philby's interest in justifying his motives and the possibility that he may have been using the book as a vehicle to spread disinformation and sow discord both within and between the British and American intelligence services. David Smiley, *Albanian Assignment* (London, 1984), pp.159-164, provides an alternative first-hand insight into the British contribution to the venture. Smiley was a veteran of the SOE who trained Albanian émigrés during the early stages of the campaign. Michael Burke, *Outrageous Good Fortune* (Boston, 1984), pp.139-169, looks at the enterprise from an American perspective. Like Smiley, Burke had wartime experience in the field of paramilitary action, in his case with the OSS. An early recruit to the OPC, he was given responsibility for organising offensive

explaining the failure, however, for BGFIEND was also retarded by: (1) the tendency of the western intelligence agencies to overestimate their own abilities and underestimate their enemies; (2) the ill-advised decision to select an Axis-tainted group to front the operation's political wing; and (3) the OPC's and MI6's failure to maintain tight enough security in their recruitment of Albanian exiles from the DP camps, where leaks were commonplace and Soviet spies were known to be active. Not only did these flaws compromise the Albania campaign, they were a replication of the wider drawbacks that rendered CIA offensive covert action ineffective in the Soviet bloc generally during the 1948 to 1953 period. BGFIEND was, then, unique for what it sought to achieve but at the same time typical in that it was impaired by similar drawbacks to those which hampered CIA offensive operations elsewhere in Eastern Europe. Above all other considerations, however, the Albania campaign proved that clandestine paramilitary methods were not, in themselves, enough to secure the overthrow of even the weakest of Soviet satellites.

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#### ALBANIA AND THE BALKANS: THE VIEW FROM WASHINGTON

The Truman administration's decision to make the Hoxha regime a target of the OPC was influenced by both offensive and defensive considerations. The most backward of the Kremlin's satellites, Albania was separated geographically from the Soviet bloc

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operations against the Soviet bloc generally, and was one of those charged with training Albanian volunteers for BGFIEND. The fullest secondary treatment of the Albanian campaign is Bethell, *The Great Betrayal*, which lays much of the blame for the failure of the operation at Philby's door, as does Bruce Page, David Leitch, and Phillip Knightley, *Philby: The Spy Who Betrayed a Generation* (London, 1977), pp.217-221. Ranelagh deals with the enterprise briefly in *The Agency*, p.150, pp.156-157, as does Christopher Andrew in *Secret Service: The Making of the British Intelligence Community* (London, 1985), pp.492-493, and several other works provide good accounts of the essentials of the operation. These include Verrier, *Through the Looking Glass*, pp.71-77, Prados, *Presidents' Secret Wars*, pp.45-51, Anton Logoreci, *The Albanians: Europe's forgotten survivors* (London, 1977), pp.105-110, and Winks, *Cloak and Gown*, pp.394-401, which gives an excellent analysis of the American side of the operation. These studies tend towards the view that Philby's treachery was only one element in a plan that was destined to fail anyway, a standpoint that is given further weight as a result of the new information and insights which have emerged with the publication of Hersh, *The Old Boys*, pp.261-266, pp.269-274, pp.319-323, and Thomas, *The Very Best Men*, pp.38-40, p.68-71, p.85.

following Tito's expulsion from the Cominform. Washington reasoned that this opened the way for the dislodgement from the Soviet sphere of influence of a country that, prior to Moscow's rift with Belgrade, had been regarded as "little more than a Yugoslav republic."<sup>4</sup> Cut off from its allies, Albania was also diplomatically isolated (for a map of Albania and the operations launched against the Hoxha regime see appendix 7). It was neither a signatory to the Balkan Peace Treaties, which meant that it was still technically at war with Greece, nor was it a member of the UN. Indeed, Tirana was in conflict with the UN following Albania's refusal, in April 1949, to comply with an International Court of Justice ruling requiring it to pay compensation to the United Kingdom for illegally mining the Corfu Straits and damaging two British destroyers in the process.<sup>5</sup>

Russian concerns vis-à-vis the Hoxha regime were a mirror of American ambitions. If only for reasons of prestige, Moscow could not afford to allow a further satellite defection. Weak though Albania was, moreover, it was of considerable strategic value to the Soviet Union: for flanking operations against the Yugoslavs; for supplying the Italian communists; and, before Stalin withdrew his support from the communist insurgency in Greece, as a base for the KKE.<sup>6</sup> The Kremlin had, in addition, begun with the construction of a submarine base on the island of Saseno at the entrance of Valona Bay by 1948, and this was seen by the United States as posing a major long-term threat to western interests in the Adriatic and the Mediterranean.<sup>7</sup>

Acutely aware of the extent to which the Hoxha regime was vulnerable to western or Yugoslav takeover, Moscow enforced a control over Albania that was regarded by Washington as being "the most open and direct of any in the Soviet orbit."<sup>8</sup> Russian advisors organised and held key positions in Hoxha's military and security forces,

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<sup>4</sup>CIA, Intelligence Memo. 218, "Strengths and Weaknesses of the Hoxha Regime in Albania," 12 Sept. 1949, Intelligence Memos. 1949 folder, box 250, Central Intelligence File, PSF, Truman Papers, HSTL.

<sup>5</sup>CIA, Special Evaluation No.24, "Prospects for Soviet/Satellite Support for the 'Free' Greek Government," Special Evaluations folder, box 250, CIA File, NSC Records, Truman Papers, HSTL; Department of State Policy Paper on Albania, 21 Sept. 1949, *FRUS 1949*, Vol. 5: 320-322.

<sup>6</sup>CIA, Memo. 218, "Strengths and Weaknesses of the Hoxha Regime."

<sup>7</sup>*ibid*; CIA, ORE 71-49, "Current Situation in Albania," 15 Dec. 1949, ORE 1949 folder, box 257, Intelligence File, PSF, Truman Papers, HSTL.

<sup>8</sup>CIA, Memo. 218, "Strengths and Weaknesses of the Hoxha Regime."

while the Albanian Communist Party (ACP) was routinely purged of potential dissidents, and "all members of the government [were kept] under continual surveillance."<sup>9</sup> Comprehensive as these measures were, they created conditions which the OPC could exploit, in that they induced fear and resentment of the Soviet Union rather than loyalty to it. This was in fact pointed out in a State Department paper which estimated that opposition to Hoxha and his Soviet patrons was so pronounced that it "included almost everyone not directly involved in the regime."<sup>10</sup>

Washington's belief that Albania represented the most viable target for rolling back Soviet power was given further impetus in October 1949, the month that the first OPC/MI6-directed infiltration was launched, when Hillenkoetter reported that the Kremlin was reconsidering its position towards the Hoxha regime as part of a major revision of Moscow's overall Balkan strategy. The Soviet Foreign Office feared that continuing Albanian support for the KKE might lead to an international crisis "which the U.S.S.R. is now unwilling to face." Russia's aim was, rather, to "ease tensions among Athens, Belgrade, and Tirana," and in line with this policy the Soviet Foreign Office was recommending "a withdrawal from the Adriatic to Bulgaria."<sup>11</sup>

Taken together with the fact that Hoxha's country was already unique amongst the Soviet bloc nations, in that Moscow had never signed a Mutual Security Pact with Albania nor admitted it into the Cominform, these developments invited outside intervention.<sup>12</sup> Geopolitical realities dictated, moreover, that it was safer for the United States and its allies to attempt to dislodge Albania from the Soviet orbit than any of the other Eastern European satellites, simply because it was not part of Moscow's defensive buffer zone. Thus, while its removal would damage Russian prestige, it would make little difference to the security of the Soviet Union itself.

Wider regional considerations also informed the decision to move against Albania. American plans for Southeastern Europe and the Balkans hinged on bringing Italy,

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<sup>9</sup>Memo. of Conversation by Deputy Director, Office of European Affairs (Thompson) 28 June 1949, *FRUS 1949*, Vol.5: 305-307, quote on 306.

<sup>10</sup>*ibid*, quote on 305-306

<sup>11</sup>Hillenkoetter Memo., 25 Oct. 1949, Intelligence Memos. 1949 folder, box 250, Central Intelligence File, PSF, Truman Papers, HSTL.

<sup>12</sup>CIA, ORE 71-49, "Current Situation in Albania."

Yugoslavia, and Greece together "in a common front against the Soviet bloc."<sup>13</sup> The establishment of an anti-Cominform bulwark of this kind was not only envisaged as strengthening containment, it also opened the way for the United States to mount offensive covert moves against the underbelly of Moscow's Eastern European defence perimeter. As John C. Campbell, who served as the State Department's Assistant Chief of Division for Southeast European Affairs during the late 1940s and early 1950s, maintained, the United States ran operations that focused on "trying to stir up opposition and [giving] support to potential opposition" in Bulgaria, Hungary, and "elsewhere" in the region, as well as in Albania, during this period.<sup>14</sup>

Detail on these ventures is sparse, but Campbell describes them as being aimed at "causing trouble for" rather than rolling back the enemy.<sup>15</sup> What can be said is that such enterprises approximated the objectives that American allies were pursuing or would like to have seen pursued. "A Pan-Danubian Federation" consisting of the former countries of the Austro-Hungarian empire was, for example, the Vatican's prescription for combating communism in the Balkans. How much the church actually did to create such an organisation is a matter of speculation, but certainly the CIC took cognizance of the plan, and the OPC is alleged to have recruited Vatican-backed Croatian Ustase veterans, who fought with the Germans during the war, to take part in Operation Bloodstone.<sup>16</sup>

The Yugoslavs also had an interest in sowing discord within the borders of their Russian-dominated neighbours. During 1948 and 1949, Moscow conducted a "war of nerves" with Belgrade, positioning between five and nine divisions around the Yugoslav periphery. Tito responded by sponsoring guerrilla action in Albania and especially Bulgaria, as well as exploiting tensions between 'nationalist' and 'internationalist' communists which first came to light in the Soviet bloc when Belgrade was expelled from the Cominform.<sup>17</sup>

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<sup>13</sup>Policy Paper Prepared by Acting Chief of Division of Southeast European Affairs (Campbell), 12 Sept. 1949, *FRUS 1949*, Vol.5: 311-313, quote on 313.

<sup>14</sup>John C. Campbell, OH 284, pp.206-207, HSTL.

<sup>15</sup>*ibid*, p.206.

<sup>16</sup>Hersh, *The Old Boys*, pp.182-183, quote on p.182.

<sup>17</sup>CIA, Intelligence Memo. 232, "Significance of Recent Intensified Soviet Action Against Tito, 5 Oct. 1949, Intelligence Memos. 1949 folder, box 250, PSF, HSTL; CIA, Memo. 218, "Strengths and

The deployment of OPC covert action against Hoxha was seen as complementing these initiatives as well as serving American policy in the Balkans. BGFIEND would, if successful, rid Yugoslavia of a troublesome adversary without forcing Belgrade to take overt action and run the risk of coming into direct conflict with Moscow. Tito had, in fact, attempted to engineer a coup against the Tirana government between 1948 and 1949, only to see his plans thwarted when Koci Xoxe, the pro-Yugoslav Albanian Interior Minister who Belgrade favoured as Hoxha's successor, was purged in June 1949. After this point, Tito's options were limited, which made him more amenable to working in concert with the United States.<sup>18</sup> Indeed, Albanian writers have alleged that, as was the case with the Greeks and the Italians, the Yugoslavs actively supported BGFIEND.<sup>19</sup> Though the evidence is far from conclusive on this count, such cooperation would: (1) have been consistent with the rapprochement that took place between Washington and Belgrade at this time; and (2) have served as a *quid pro quo*, given that the OPC arranged for the secret dispatch of five shiploads of American arms to Yugoslavia, thereby strengthening Tito's position vis-à-vis the Russians without providing Stalin with the justification to march on Belgrade.<sup>20</sup>

The principal assumption informing the Truman administration's decision to seek Hoxha's ouster was, however, that success in such an endeavour would, following on from the Yugoslav schism, further undermine the image of Soviet omnipotence in Eastern Europe. The most desirable outcome envisaged by Washington as resulting from the successful execution of BGFIEND was the immediate entry of a democratic, independent Albania into the western fold, with a communist Albania closely allied to Yugoslavia as the next best option.<sup>21</sup> The crucial point is that, either way, Russian influence in Tirana would have been eradicated and this was envisaged as serving as a catalyst for bringing about further fissures in the Soviet bloc.

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Weaknesses of the Hoxha Regime"; CIA, ORE 44-49, "Estimate of Yugoslav Regime's Ability to Resist Soviet Pressure," ORE 1948-1949 folder, Intelligence File, PSF, Truman Papers, HSTL.

<sup>18</sup>CIA, ORE 71-49, "Current Situation in Albania."

<sup>19</sup>Stefanaq Pollo and Arben Puto, *The History of Albania from Its Origins to the Present Day* (London, 1981), p.265, cited in Winks, *Cloak and Gown*, p.545.

<sup>20</sup>Frank Lindsay, *Beacons in the Night: With the OSS and Tito's Partisans in Wartime Yugoslavia* (Palo Alto, Calif., 1994), p.334.

<sup>21</sup>Department of State Policy Paper on Albania, 21 Sept. 1949, *FRUS 1949*, Vol. 5: 320-322; CIA, Intelligence Memo. 218, "Strengths and Weaknesses of the Hoxha Regime."

At the same time, an Albania free from Russian control was not without its problems. Prime among these was the fact that both Yugoslavia and Greece coveted large areas of Hoxha's territory. This ran against western interests since it opened the way for the possible partition of Albania and a heightening of tensions between Athens and Belgrade, which Moscow could exploit. The United States believed, however, that incentives and inducements could be applied by the western powers to ensure that, if the need arose, Yugoslavia and Greece could be made to respect the territorial integrity of Albania.<sup>22</sup> Cold War imperatives took precedence over the intricacies of Balkan politics, then, as the United States, in partnership with Great Britain, sought to bring about Hoxha's overthrow.

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#### **BGFIEND: ORGANISATION AND PREPARATIONS**

Operation BGFIEND began as a British enterprise. Sanctioned by Whitehall in February 1949, it was aimed at displacing Hoxha with the exiled Albanian King Zog, thereby enhancing Britain's position as a political force in the eastern Mediterranean. What stood between London and the fulfilment of these aims was money, or more accurately the lack of it. It was with these considerations in mind that MI6 and the British Foreign Office lobbied CIA and State Department officials to secure American financial backing for the project. Recognising that the Albania proposals was an opportunity to both deliver a blow against Moscow and learn from an SIS that was renowned for its expertise in the field of covert action, the OPC persuaded its political masters to second the British plan in April 1949, which from this point became a joint MI6-OPC venture.<sup>23</sup>

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<sup>22</sup>The Yugoslavs seized the province of Kosovo at the end of World War II and had ambitions to take additional areas of northern Albania, see Logoreci, *The Albanians*, pp.84-103. The Greeks had laid claim to the Albanian region of northern Epirus (see map, appendix 7). Washington wished to see existing frontiers in the Balkans respected, favouring moves to consider, for example, the Greek claim through "an appropriate international body at a later time," Department of State Policy Paper on Albania, 21 Sept. 1949, *FRUS 1949*, Vol. 5: 320-322, quote on 322.

<sup>23</sup>Bethell, *The Great Betrayal*, pp.35-39; the British code-name for the Albanian campaign was Operation Valuable, see Prados, *Presidents' Secret Wars*, p.46

An Anglo-American Special Policy Committee consisting of the OPC's Frank Lindsay, Robert Joyce of the PPS, Earl Jellicoe of the British Foreign Office, and the SIS liaison officer in Washington, Kim Philby, was subsequently appointed to manage the enterprise from the American capital.<sup>24</sup> James McCargar served as the OPC's senior coordinator for the project, but the picture becomes unclear as far as who played what role further down the chain of command, at least on the American side. The confusion arises largely as a consequence of Wisner's deployment of the New York law firm model in his management of early OPC operations, whereby several people were appointed to the same project in order to foster competition and originality, and thus achieve optimum results. Effective as this theory might have been in the practice of law, it did not, according to McCargar, transfer well to the field of clandestine action.<sup>25</sup>

For BGFIEND to have any prospect of success, it needed to have the appearance of being an indigenous affair, and this presented the project's managers with a basic question that would pose recurring difficulties for the CIA in mounting covert operations throughout the 1950s and early 1960s: the problem of who the OPC and MI6 should select to front the operation and replace the targeted regime should it be overthrown. In this respect, a large and various array of candidates presented themselves. The OSS had, for example, identified 55 different groups as being active in Albania under some hundred different leaders at the end of World War II. It was, therefore, only after much political manoeuvring, that the rightward-leaning Balli Kombëtar (National Front) was chosen to front the operation's political wing. The National Committee for a Free Albania was, however, far from a perfect construct for Anglo-American requirements, not least because the majority of Balli Kombëtar's leaders were tainted as a result of their involvement in the administration of Albania while it was under Axis control.<sup>26</sup>

BGFIEND was projected as becoming operational in November 1949, and in preparation the OPC and MI6 recruited thirty Albanians from the DP camps. Labelled

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<sup>24</sup>Cave Brown, *Treason in the Blood*, p.421; Prados, *Presidents' Secret Wars*, p.46; Philby, *My Silent War*, p.143.

<sup>25</sup>Thomas, *The Very Best Men*, p.40; Hersh, *The Old Boys*, p.264.

<sup>26</sup>CIA, ORE 71-49, "Current Situation in Albania"; Winks, *Cloak and Gown*, p.397; Simpson, *Howback*, p.123. The Free Albania Committee was made up of 40 percent Balli Kombëtar, 40 percent monarchist Legaliteti, and 20 percent smaller anticommunist factions, see Prados, *Presidents' Secret Wars*, p.50.

'pixies' by the British Special Operations Executive (SOE) and American OSS veterans who trained them, these would-be insurgents were readied for action at Fort Bin Jema, a formerly disused castle near the town of Mdina on the British-controlled island of Malta. An OPC-SIS monitoring station was established at a rented villa in Corfu and a private schooner, the *Stormie Seas*, was chartered to put the insurgents ashore for the first operation, which was launched a month ahead of schedule.<sup>27</sup>

Robin Winks suggests that in giving BGFIEND the final go-ahead, Wisner and his OPC and SIS colleagues were possessed of a naïveté that led them to allow enthusiasm to override caution.<sup>28</sup> While there is some substance to this argument, it is not wholly accurate. As Evan Thomas, drawing from the CIA's in-house histories, maintains, Wisner was "not completely unrealistic about the chances of success" in seeking to roll back Russian power anywhere in Eastern Europe. Records at the Truman Library reveal, furthermore, that the CIA knew that the Soviet hold on Albania was tight and that the prospects for a successful covert operation were at best limited, despite the fact that there was considerable opposition to the Hoxha regime in the country. The key point is that the OPC saw itself as being under an obligation to probe behind the Iron Curtain, and Albania presented the most promising target for driving a wedge in the Soviet bloc.<sup>29</sup>

Where the judgement of BGFIEND's planners was seriously flawed was in their failure to recognise the fact that little in the way of a sense of national identity existed in Albania. The country was essentially a collection of tribes, which Hoxha kept happy by, for instance, offering bribes of daily supplies of alcohol. This lack of patriotism greatly diminished the prospect of mobilising nationwide support for the exile movement and opposition to Hoxha, both of which were necessary if BGFIEND was to succeed.<sup>30</sup> That the OPC and MI6 were not fully cognisant of conditions on the ground in Albania is also evident from the tactics that they used. Some of the

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<sup>27</sup>Winks, *Cloak and Gown*, p.397; Bethell, *The Great Betrayal*, pp.55-56; Smiley, *Albanian Assignment*, pp.159-164; Prados, *Presidents' Secret Wars*, pp.46-47.

<sup>28</sup>Winks, *Cloak and Gown*, p.397.

<sup>29</sup>Thomas, , *The Very Best Men*, p.38; CIA, Intelligence Memo. 218, "Strengths and Weaknesses of the Hoxha Regime."

<sup>30</sup>Memo. of Conversation, by the Deputy Director, Office of European Affairs (Thompson), 28 June 1949, *FRUS 1949*, Vol.5: 305-307; Memo. of Conversation, by Chief, Division of Greek, Turkish, and Iranian Affairs (Jernegan), 16 Aug 1949, *ibid*, 308-309.

insurgents that were infiltrated into the country were, for example, given anticommunist propaganda leaflets to distribute, but such moves were of questionable value since 80 percent of the Albanian populace was illiterate. Wisner's launch of the short-lived Radio Free Albania proved equally futile, given that the country had little in the way of electricity and very few radio sets or batteries.<sup>31</sup>

Targeted on a tightly-controlled Soviet satellite and compromised by a traitor at the heart of MI6, then, BGFIEND was also doomed to failure by ill-conceived planning and the primitive nature of the host country. However, it took four years, before these and other drawbacks inherent in the plan registered fully. If any serious doubts were raised about the viability of BGFIEND as the OPC embarked on the venture in 1949, then Wisner certainly did not allow them to puncture his optimism.

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#### **BGFIEND: THE ACTION PHASES: FROM THE THE KARABURUN MISSION TO THE PURGES OF 1954**

The first of the covert operations to be mounted against communist Albania began on 3 October 1949, when two groups of insurgents were infiltrated from the *Stormie Seas* onto the Karaburun peninsula.<sup>32</sup> The specific aims of this venture remain unclear, but the fact that it marked the initial move against Hoxha, and that the target area was the hub of Soviet maritime activity in the Adriatic, point to its having been conceived primarily as an exploratory, intelligence-gathering mission. If this was the case then the operation was not the failure that it is depicted as having been in some treatments of the Albania campaign. A CIA intelligence estimate from December 1949, which detailed recent Russian naval developments in "the rocky Karaburun peninsula and Saseno Island, which guards the entrance to Valona harbor," supports this argument. Thomas's contention that "useful information" was procured as a result of the operation likewise challenges earlier arguments that characterise the project as having "accomplished nothing."<sup>33</sup>

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<sup>31</sup>Hersh, *The Old Boys*, pp.263-264, p.271; Nicholas C. Pano, "Albania," in Joseph Held (ed.), *The Columbia History of Eastern Europe in the Twentieth Century* (New York, 1992), pp.18-33.

<sup>32</sup>Bethell, *The Great Betrayal*, pp.87-91; Winks, *Cloak and Gown*, p.397-398.

<sup>33</sup>CIA, ORE 71-49, "Current Situation in Albania"; Thomas, *The Very Best Men*, p.39; Winks, *Cloak and Gown*, p.397.

At the same time, the Karaburun landings could in no way be interpreted as having been an unqualified success. To begin with, as an almost exclusively-British enterprise it was extremely vulnerable to betrayal by Philby, and indeed Albanian security forces scoured the region in anticipation of the landings. The Hoxha regime, nevertheless, enjoyed only limited success in its efforts to intercept MI6's 'pixies.' Estimates vary as to how many men took part in the Karaburun mission. Thomas's figures of 20 insurgents being landed, with a loss rate of 20 percent are at odds with other studies, which number nine infiltrators as having been dispatched. Of these, four are said to have evaded Hoxha's security cordon to distribute propaganda leaflets in the town of Nivica before escaping to safety; three were killed; one was captured; and one disappeared.<sup>34</sup> Whichever account is accurate, the key point is that all imply that the information relayed to Tirana was general rather than specific. This in turn raises doubts about the extent to which Philby compromised the operation, if he compromised it at all, given that, as co-commander of the project he would have had unfettered access to the logistical details of the mission.

Certainly, the capacity for OPC-MI6 plans to fall into enemy hands was considerable without any treachery on the part of Philby. The Albanian community in Rome, from where the recruits for the Karaburun landings came, was full of leaks, and sprinkled with Soviet agents. The insurgents had, furthermore, been permitted to socialise freely in Mdina and the surrounding Maltese towns prior to the operation. The possibility therefore existed for BGFIEND to have been betrayed through two sources quite separate from Philby, which in fact goes some of the way towards explaining why the MI6 liaison officer succeeded in betraying the Albania campaign for as long as he did: put simply suspicion fell elsewhere. Not only this, but the OPC *knew* that BGFIEND was compromised, because Angleton, who as an OSO officer was not informed officially of its existence, discovered the details of the operation from one of his Italian contacts and told McCargar.<sup>35</sup> The clear implication, therefore, was that if Angleton knew, then Hoxha might know too. This information was, however, relayed after the *Stormie Seas* had set sail. The OPC and MI6 were thus unable to act quickly enough

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<sup>34</sup>Thomas, *The Very Best Men*, pp.38-39; Bethell, *The Great Betrayal*, pp.90-91; Winks, *Cloak and Gown*, p.397; Hersh, *The Old Boys*, pp.263-264.

<sup>35</sup>Winks, *Cloak and Gown*, p.398.

to cancel the Karaburun mission, the outcome of which left the SIS discouraged but Wisner, who regarded 20 percent losses as acceptable, determined to continue.<sup>36</sup>

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The aftermath of the Karaburun operation brought several changes in the organisation of BGFIEND. Firstly, the OPC began to play a more prominent role from this point onwards, in a trend that was to continue until, by 1952, the Albanian operation was almost entirely an American project. Karaburun, moreover, alerted its Anglo-American architects to the need for greater security. Thus, training for the 250 émigrés who, under the name of Company 4000, were recruited for the subsequent stages of BGFIEND, was conducted at a base near Heidelberg in Germany, where precautions against leakage were much tighter than had been the case in Mdina.<sup>37</sup> These organisational revisions were accompanied by a major personnel change when, in April 1950, McCargar was replaced as OPC coordinator, in a move that came about more as a consequence of his dissatisfaction with political rather than paramilitary developments in the Albania programme.<sup>38</sup>

Though Balli Kombëtar had never been an entirely satisfactory entity for serving Anglo-American requirements, it did at least have the merit of being led by "the distinguished writer, scholar, and former diplomat" Midhat Frasheri, who, despite having been a wartime collaborator, was deemed to be of an acceptable enough pedigree to lead the Albanian National Committee.<sup>39</sup> Problems arose, however, when Frasheri died suddenly in the Lexington Hotel in New York City on the very day that the *Stormie Seas* was dispatching 'pixies' onto the Karaburun peninsula. Whether the Albanian politician's untimely demise was the result of foul play or natural causes is still unclear. The coroner opted for the latter, but Frasheri was at risk from Hoxha's agents, who, so Frasheri claimed, were active amongst the Albanian community in the United States, and from rivals within the émigré movement itself, some of whom were

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<sup>36</sup>Thomas, *The Very Best Men*, p.39.

<sup>37</sup>Burke, *Outrageous Good Fortune*, pp.139-169; Hersh, *The Old Boys*, p.271; Thomas, *The Very Best Men*, p.68; Winks, *Cloak and Gown*, p.398.

<sup>38</sup>Hersh, *The Old Boys*, p.270.

<sup>39</sup>CIA, ORE 71-49, "Current Situation in Albania"; quote from Anton Logoreci, *The Albanians*, p.72; Simpson, *Blowback*, pp.123-124.

in New York City at that time for the very reason of discussing the organisation of the National Committee.<sup>40</sup>

What caused McCargar's exit was the selection of Hasan Dosti as Frasher's replacement. Dosti was Albania's Minister of Justice during the Axis occupation of the country and was severely tainted, as were the individuals he sought to promote within the National Committee. For McCargar, the appointment of fascist stooges of this calibre took away any political appeal BGFRIEND's political wing might have had, and without the existence of a feasible political alternative to Hoxha the Albanian operation was, regardless of the effectiveness or ineffectiveness of its paramilitary element, severely impaired.<sup>41</sup>

The onset of the Korean War, however, heightened Wisner's determination to wrest another satellite from Moscow's control and Albania remained the most viable target. Operations were thus launched periodically throughout 1950 under the command of McCargar's successor, Gratian Yatsevich, an American Army colonel who had extensive experience of working in the Balkans, most recently in Bulgaria. Company 4000 volunteers continued to be infiltrated over land and by small boats, but by this time the OPC and MI6 were also mounting airborne incursions using British-contracted Polish pilots. Despite the increase in resources and tight security at Heidelberg, these ventures followed a familiar pattern, that found many of the insurgents caught, if not on entry into Albania then shortly afterwards, by Hoxha's secret police.<sup>42</sup>

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<sup>40</sup>Prados, *Presidents' Secret Wars* p.48; Hersh, *The Old Boys*, p.265.

<sup>41</sup>Simpson, *Blowback*, pp.123-124; Hersh, *The Old Boys*, p.270.

<sup>42</sup>A CIA report indicated that Moscow was attempting to increase the efficiency of its "puppet forces" in the Balkans. The agency warned that "the initiation of any kind of armed aggression in this area by Soviet puppet troops would present the basic issues of the Korean incident all over again, forcing the US either to abandon some of its commitments or disperse its military strength." The removal of Albania as a threat would impair Moscow's position in, and plans for, the region which gave added impetus to Washington's plans to seek the ouster of Hoxha, see CIA, Review of the World Situation, 19 July 1950, CIG 1946, 1948-50 folder (2 of 2), Intelligence File, box 256, PSF, Truman Papers, HSTL; Thomas, *The Very Best Men*, pp.68-70; Winks, *Cloak and Gown*, pp. 398-399; Hersh, *The Old Boys*, p.320.

The most commonly cited explanation for such compromising of BGFIEND is treachery. Philby himself claimed to have betrayed the Albanian campaign and several subsequent studies have followed suit in making the MI6 liaison officer central to the failure of the venture.<sup>43</sup> Yet, as Winks points out, this is not wholly convincing when details of, for instance, two airborne incursions on the Martanesh plain to the East of Tirana, are subjected to scrutiny. The first of these flights was aborted after the Polish pilots could not locate the drop zone. During a second attempt mounted the following week, the pilots again failed to find the drop zone, but nine émigrés jumped anyhow, their supplies falling on a village rather than the designated site. Hoxha's forces intercepted seven of the parachutists, while two others escaped. Such success could not, however, have come about through Tirana having access to pinpoint information, simply because the insurgents did not land where they were supposed to.<sup>44</sup>

Indeed, the poor execution of the Martanesh operations might, ironically, have been responsible for them having been given away. The postponement of the first mission gave the Albanian authorities forewarning of at least the potential for a second attempt. More significantly, the fact that supplies were mistakenly dropped on a village during the second mission was, in itself, enough to have alerted Hoxha's security forces to the presence of insurgents in the area.<sup>45</sup> There was, then, some substance to Philby's claim that the OPC's failure to take full cognisance of conditions in Albania, its mismanagement of BGFIEND generally, and its disregard for the lives of the 'pixies' it recruited were as responsible for the Albanian debacle as the British MI6 officer's treachery.<sup>46</sup>

In spite of the failure of the sporadic operations mounted in 1950, the following two years saw a redoubling of efforts on the part of the OPC to unseat Hoxha. It was during this period that Wisner temporarily established Radio Free Albania, and an increase in resources allocated to BGFIEND resulted in the infiltration of some sixty exiles into the country by land, sea, and air during 1951 and 1952. Almost all of these insurgents were either captured or killed, leaving Alfred C. Ulmer, whom Wisner appointed as CIA station chief in Athens in 1951, to maintain later that "we realised after a while that we were dropping [the Company 4000 recruits] into a controlled

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<sup>43</sup>Philby, *My Silent War* pp.194-199; Bethell, *The Great Betrayal*.

<sup>44</sup>Winks, *Cloak and Gown*, pp.398-399.

<sup>45</sup>*ibid.*

<sup>46</sup>Philby, *My Silent War*, pp.194-199.

situation."<sup>47</sup> This, of course, begs two obvious questions, the first of which being who or what was responsible for such a systematic uncovering of the venture?

To be sure, some of the blame again rests firmly on the shoulders of Philby. By July 1951, however, the CIA had investigated the background and activities of the MI6 liaison officer and substantiated suspicions that he was a Soviet agent to a sufficient degree to persuade Bedell Smith to declare him *persona non grata* and send him back to London.<sup>48</sup> The betrayals that took place beyond this point, therefore, would have to have come from another spy or spies within the organisation of BGFIEND. Certainly, CIA suspicions that the enterprise was penetrated did not end with the uncovering of Philby. Yatsevich and Angleton are, for example, said to have picked out some "lower level plotters" from the Free Albania Committee who were identified as security risks, but whether the operation was compromised by a higher level source other than Philby remains a matter of conjecture.<sup>49</sup>

Hoxha's success rate in countering western efforts to engineer his downfall during the middle to latter stages of BGFIEND might also be attributable to developments within Albania itself. In February 1951 a bomb exploded at or near the Soviet embassy in Tirana, killing or injuring a number of Russian diplomats and military personnel. Hoxha used this as a pretext to introduce an emergency decree that laid down even more draconian measures than had already been implemented.<sup>50</sup> Not only did this tighten further the Tirana regime's hold on power, it also presented Hoxha with an additional means of penetrating Anglo-American plans, for he could blackmail exiles who were involved in BGFIEND into betraying the programme by threatening relatives who were resident in Albania. That the Hoxha regime's threats were not empty ones would have been evident from the fact that Tirana was already conducting a reign of terror, which in turn would have made the émigrés targeted more ready to comply.

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<sup>47</sup>Winks, *Cloak and Gown*, pp.399-400; Thomas, *The Very Best Men*, pp.68-71; Ulmer quoted in Hersh, *The Old Boys*, p.273.

<sup>48</sup>Verne Newton, *The Cambridge Spies: The Untold Story of Maclean, Philby and Burgess in America* (New York, 1991), pp.249-250, pp.306-341; Cave Brown, *Treason in the Blood*, pp.420-436.

<sup>49</sup>Interview with Yatsevich in Hersh, *The Old Boys*, p.322.

<sup>50</sup>Logoreci, *The Albanians*, p.107.

A second and equally perplexing question to arise from the study of BGFIEND is why, in the face of such unremitting failure, did the OPC/DDP continue with the enterprise for so long? Elusive as the answers to this might be while so much of the Albania campaign remains classified, evidence drawn from interviews conducted by Hersh, Thomas, and others with those involved in the operation suggests that part of the explanation boils down to human nature. The abandonment of a project that had consumed an enormous investment of time, effort, and resources, as well as having cost hundreds, or if Chapman Pincher's figures are accurate, perhaps a thousand lives, was extremely difficult to contemplate.<sup>51</sup> Like the gambler who overestimates his luck and stays too long at the roulette table, hoping in vain to make good on his losses, Wisner was driven by a negative dynamic, whereby the longer the Albania campaign went on, the harder it was to terminate.

Also decisive to the OPC/DDP's reluctance to abort was the point that BGFIEND spanned the full duration of the Korean War. In this sense, covert paramilitary action in Albania was a constant thorn in Moscow's side. Company 4000 émigrés killed on the Martanesh plain were, like American soldiers killed on the 38th Parallel, casualties of a wider conflict that the western powers were engaged in with what they perceived to be a Soviet-controlled monolith. To have conceded defeat in Albania would have been to have taken pressure off the Kremlin at a crucial time, and the OPC/DDP was not in the business of making life easier for the Russians, however many Albanian lives such a move would have saved. The uncovering of Philby went much of the way towards explaining the failure of the Albania campaign during its first two years, moreover, which could only have caused Wisner to view the prospects for BGFIEND in a more optimistic light from mid 1951 onwards. Indeed, misplaced optimism was a fundamental element in the final defeat of the four year effort to unseat Hoxha.

By 1952, the Albania campaign had, by default, become an exclusively-American enterprise. Indigenous input now came from the monarchists, the Balli Kombëtar contingent having lost its enthusiasm and extricated itself from the project, just as MI6 had done.<sup>52</sup> Between late 1952 and early 1953, however, radio messages emanating

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<sup>51</sup>The estimate of a thousand deaths is in Chapman Pincher, *Too Secret Too Long* (New York, 1984), p.300. The figure includes not only the insurgents but also those who cooperated, or were believed by Hoxha to be involved in BGFIEND. Logoreci numbers those killed, executed, or imprisoned as a result of the operation as running into several hundred, see Logoreci, *The Albanians*, p.109.

<sup>52</sup>Hersh, *The Old Boys*, p.321.

from DDP/royalist assets in the target country told of growing unrest and dissent among Hoxha's military and police, to the extent that, by spring 1953, Albanian security forces were said to be on the brink of rebellion. Accompanied by requests for money, weapons, radio transmitters, and human expertise, these reports raised the expectations of Yatsevich and Wisner, though not of the DDP's radio operators or counterintelligence experts, who noticed that the fist – the distinguishing key pattern adopted by the telegraph operator in Albania who was believed to be sending the messages – was wrong. These fears were proven to be woefully accurate when, in a ruse that recalled the WiN deception, royalist insurgents who were infiltrated into Albania in response to the radio appeals were arrested by waiting security forces. The most determined, persistent, but at the same time futile offensive covert operation that the CIA mounted during its early years thus ended with Tirana hosting a string of very public show trials staged in the early months of 1954.<sup>53</sup>

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#### **CONCLUSION: DECEPTIONS, LEGACIES, AND LESSONS**

BGFIEND raises as many questions as it offers answers. From the perspective of how offensive covert action was envisaged as advancing American policy, both towards Albania and in the context of Washington's wider Balkan and Cold War designs, the objectives were clear. The displacement of a rigidly-doctrinaire, Russian-controlled junta in Tirana by a pro-western, or failing that a Yugoslav-aligned regime, would: (1) deliver a blow to Soviet prestige and encourage repeat performances behind the Iron Curtain; (2) enhance Tito's position vis-à-vis Stalin; and (3) remove a strategic threat to western interests in the Adriatic.

On a tactical level, however, the Albania campaign was deeply flawed from the time of its inception through to its final demise. The lack of a viable political alternative to Hoxha; poor management on the part of the OPC/DDP and MI6; and the failure of these same parties to fully appreciate the gravity of the task that confronted them in attempting to unseat a regime that was so closely supported by the highly professional Soviet security forces and so willing to resort to terror as was Hoxha's: all of these factors have led recent studies of the Albania operation to conclude that it would have

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<sup>53</sup>*ibid*, pp.321-323; Prados, *Presidents' Secret Wars*, pp.50-51.

ended in failure without any help from Philby.<sup>54</sup> More than forty years after his time as the OPC's psychological warfare head, Joseph Bryan confessed that he had never disabused himself "of the feeling that we were a bunch of amateurs," and nowhere was this more pronounced than with BGFIEND. Indeed, Bryan was referring to the Albanian venture when he offered this observation.<sup>55</sup>

Lord Bethell, the author of what is still the most comprehensive study of the Anglo-American programme to remove Hoxha, asked in a later work why the project was allowed to continue after Philby's exposure in July 1951, and some effort has been made here to address this issue.<sup>56</sup> There is, however, a more pressing question to arise from the Philby case, namely why was he appointed to such a sensitive position as MI6 liaison to Washington at all? His past was, after all, replete with inconsistencies that raised doubts about his character and his loyalties.<sup>57</sup>

He had married communist activist Alice Friedman in Vienna in 1934 and had himself become a communist activist in the city. He had lied about the fact that he was still married to Alice on joining the SIS in 1940, claiming to have divorced her and wed his second wife Aileen. When discrepancies emerged on this count some six years later,

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<sup>54</sup>Andrew, *Secret Service*, p.493; Winks, *Cloak and Gown*, pp.398-399.

<sup>55</sup>Interview with Joseph Bryan in Hersh, *The Old Boys*, p.272.

<sup>56</sup>Nicholas Bethell, *Spies and Other Secrets: Memoirs from the Second Cold War* (London, 1994), p.302.

<sup>57</sup>The study of Philby and his impact on the Cold War is extensive, beginning with Hugh Trevor-Roper's *The Philby Affair: Espionage, Treason and the Secret Services* (London, 1968), and E.H. Cookridge's *The Third Man: The Truth About "Kim" Philby, Double Agent* (London, 1968), both of which were published the year before Philby's own memoirs. The following decade saw, among other works on the subject, the release of Andrew Boyle's *The Climate of Treason; Five Who Spied for Russia* (London, 1979) reopen the debate on Philby and the Cambridge spies. A succession of books followed in the 1980s, including Andrew Sinclair's *The Red and the Blue: Intelligence, Treason, and the Universities* (London, 1986), in which it is maintained that the CIA alerted MI5 to the existence of Soviet moles in British Intelligence. Further light has been cast on the Cambridge spies and the Philby case during recent years with the publication of Andrew's and Gordievsky's *KGB*, Yuri Modin's *My Five Cambridge Friends* (New York, 1994), and Genrikh Borovik's *The Philby Files: The Secret Life of Masterspy Kim Philby* (New York, 1994). For a useful analysis of CIA counterintelligence chief William Harvey's suspicions concerning Philby see Newton, *The Cambridge Spies*, pp.306-341. By far the most comprehensive work to appear on Philby, however, is Cave Brown's *Treason in the Blood*.

he 'came clean,' blaming the onset of war for his inability to settle his marital status. His explanation was apparently accepted by the SIS, after which he divorced Alice and married Aileen in September 1946.<sup>58</sup> This was, however, small beer compared with the other time bombs that ticked away down the corridors of Philby's murky past.

In December 1939, Walter Krivitsky, a senior Soviet intelligence officer in the Hague, defected and revealed to American State Department officials that "a British journalist who had gone to Spain during the Spanish Civil War" – a description that fit Philby – was in the employ of the NKVD. The information was forwarded to London and remained on Secret Service files.<sup>59</sup> More incriminating claims followed as a consequence of further defections, as was the case in autumn 1945, when Igor Gouzenko, a cipher clerk at the Russian embassy in Ottawa, told Canadian and British intelligence officials that a chief of counterintelligence in London was a Soviet spy.<sup>60</sup> Konstantin Volkov, the Russian vice consul in Istanbul, who in September 1945 proposed to offer intelligence to the British in return for political asylum, stipulated that details of his plans be relayed to London by means other than signals because two Soviet agents were operating in the Foreign Office and "one in counterintelligence."<sup>61</sup>

The actions that Philby took in response to Volkov's proposals, moreover, raised doubts about his loyalty among some British Security Service (MI5) officials and with Angleton. Only hours after the head of MI6 ('C'), Stewart Menzies, informed Philby of the details of the Volkov case, which were highly sensitive and disclosed only on a need-to-know basis, MI5 noted a period of heavy Soviet traffic, firstly between London and Moscow, and shortly afterwards between Moscow and Istanbul. If this raised suspicions, then so too did Philby's recommendations for managing Volkov. The MI6 counterintelligence chief suggested that "someone" – meaning Philby himself – should go to Istanbul, interview the Russian vice consul, and determine how to proceed. It took three weeks, however, before Philby reached the Turkish city, and in the meantime Volkov had disappeared, presumably back to the Soviet Union. This led John Reed, the British official whom the prospective Soviet defector had first approached, to lodge an official complaint over MI6's handling of the case. Reed believed that Volkov had been betrayed by Philby, and he communicated his disquiet

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<sup>58</sup>Cave Brown, *Treason in the Blood*, pp.262-263.

<sup>59</sup>*ibid*, p.219-223.

<sup>60</sup>*ibid*, p.366.

<sup>61</sup>*ibid*, p.363.

to an SSU officer in Istanbul.<sup>62</sup> Angleton, who first learned of the Volkov case, or at least Philby's version of it, from the MI6 officer himself during a detour he made to Rome before returning to London from Istanbul, was likewise suspicious. If Philby had really wanted to interview Volkov, Angleton concluded, he would have reached Istanbul in twenty-one hours not twenty-one days.<sup>63</sup>

These were, in fact, just some of the question-marks that had mounted up in relation to Philby prior to his move to Washington in 1949. If such information did not prove he was a spy, then it certainly should have been taken into account before selecting him for such a sensitive posting. There was, as well, a long list of influential people who either believed that he was in Moscow's employ or had been warned that he might be. Sir John C. Masterman, head of the XX Committee, the MI5 section responsible for double agents during the war, was allegedly advised by the Director General of MI5 Sir David Petrie, and its counterintelligence chief Guy Liddell, to treat Philby with caution. Masterman reportedly discussed these concerns with Norman Holmes Pearson, chief of the London branch of X2, who is in turn said to have relayed them to Bill Donovan.<sup>64</sup>

Suspicious continued into the postwar period, as has already been discussed. Indeed, by the autumn of 1950 Wisner had deduced that OPC-MI6 offensive operations in the Soviet bloc were being compromised by a high-level traitor and the prime suspect was Philby.<sup>65</sup> Exactly what action was consequently taken is unclear, but it seems credible to assume that it was on the strength of these fears that the head of CIA counterintelligence, William K. Harvey, initiated the investigation that led to Philby's uncovering. Whether Wisner or any of his colleagues harboured any suspicions in respect of Philby prior to this point is open to debate. The CIA is alleged to have reports on the MI6 officer in its "Black Files" – a collection of supersensitive files containing information that could severely embarrass the American government – which reveal that Harvey regarded Philby as suspect in 1949 when he first came to Washington.<sup>66</sup> That these documents have never reached the public domain makes this

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<sup>62</sup>*ibid*, pp.363-366.

<sup>63</sup>*ibid*, p.365.

<sup>64</sup>Winks, *Cloak and Gown*, p.401. Winks refers to Masterman's wartime organisation as the Twenty Committee, but the 'XX' was not in fact a Roman numeral, it stood for 'Double Cross.'

<sup>65</sup>Cave Brown, *Treason in the Blood*, pp.421-422.

<sup>66</sup>*ibid*, p.422.

claim impossible to verify. What is notable, however, is that some who were involved in BGFIEND gave the MI6 liaison a wide berth even before he came under official investigation. Carmel Offie, the OPC officer responsible for Albanian Liberation Committee staffing requirements, for instance, was so suspicious that Philby might be a spy that he, Offie, made a point *never* to appear in public with the MI6 officer.<sup>67</sup>

One theory that was apparently leaked from Angleton to William Corson is that at some time during the late 1940s, the CIA discovered through its connections with the Israeli intelligence service, that Guy Burgess, Donald Maclean, and Philby were Soviet agents. Rather than expose them immediately, however, the agency is said to have opted to use them to spread disinformation.<sup>68</sup> According to Major General Edwin L. Sibert, who joined the CIA as an assistant director with zone responsibility for strategic deception, Philby was used in an elaborate and highly secret deception operation. Mounted "at the time of the Korean war," this project was aimed at convincing Stalin that the American Strategic Air Command (SAC) had the capability to carry out its mission effectively in the event of war breaking out between the superpowers.<sup>69</sup>

The so-called Trojan Plan envisaged the SAC as dropping 425 atomic bombs on 90 targets in cities across the Soviet Union. This was to be executed in two phases as soon as hostilities began, with the aim of delivering a "single war-winning blow." Pentagon studies raised doubts about the feasibility of the plan, however, most particularly in its second phase, and it was assumed that the Kremlin had also been alerted to the SAC's inadequacies. A deception programme was thus deemed necessary, but CIA calculations had it that Stalin would neither read, nor be induced to take seriously, intelligence reports on the effectiveness of the SAC unless they came from a tried and tested source.<sup>70</sup>

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<sup>67</sup>Hersh, *The Old Boys*, p.271.

<sup>68</sup>Cave Brown, *Treason in the Blood*, p.401; Corson, *Armies of Ignorance*, pp.327-328.

<sup>69</sup>Cave Brown, *Treason in the Blood*, pp.401-402, Sibert quoted on p.401.

<sup>70</sup>The first phase of Trojan projected SAC B-29, B-36, and B-50 bombers as striking Moscow, Leningrad and 18 other maximum priority cities with 133 atomic bombs. The second phase was to consist of 70 cities and 292 atomic bombs. The B-29 and B-50 bombers were to be dispatched from bases in the United Kingdom, Okinawa, and Cairo-Suez, while the B-36s were to fly from the United States. The Pentagon's findings estimated that the first phase might succeed, but not the second,

That Philby had a history of supplying high-grade information to the Kremlin made him an ideal conduit. Moscow would, furthermore, have had little reason to become suspicious that a deception was in progress, for it was part of Philby's job as MI6 liaison in Washington to handle much of the Anglo-American dimension of Trojan.<sup>71</sup> The problem with this claim is in its corollary: that the CIA allowed Philby to compromise BGFIEND, other offensive operations behind the Iron Curtain, and the VENONA decrypts – which he was also party to until Hoover stopped British access – in order to give credibility to the information that he relayed about Trojan.<sup>72</sup> These were extremely high sacrifices to make. Could not Philby have been used as a conduit without being given access to such sensitive intelligence? Deterring Stalin from acting on any warlike designs that he may or may not have had by convincing him that the SAC was an extremely potent force capable of delivering a single war-winning blow, moreover, might well have been a priority for Washington. However, there was no guarantee that the Trojan deception would have any impact on the Soviet dictator, under which circumstances the CIA would have handed over vital intelligence for nothing.

Leaving aside further speculation on the Trojan plan and its possible impact on the Albania campaign, the picture of BGFIEND is an incomplete one, and appears destined to remain so while the British and American authorities still refuse access to official documents that fully explain what Lord Bethell describes as "this mad escapade."<sup>73</sup> The CIA, MI6, and other western intelligence agencies assured, moreover, that any potential that existed for shedding light on the affair by examining it from Tirana's perspective was quickly extinguished, when they reputedly bought the more important Cold War records from the former communist Eastern European security services during the early 1990s.<sup>74</sup>

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because of the loss of bases, aircraft, and fuel supplies that would result from Soviet reaction, see *ibid*, p.403.

<sup>71</sup>*ibid*.

<sup>72</sup>For detail on Hoover's move to stop British access to VENONA see, *ibid*, p.410.

<sup>73</sup>Bethell, *Spies and Other Secrets*, p.302.

<sup>74</sup>Miranda Vickers and James Pettifer, *Albania: From Anarchy to a Balkan Identity* (New York, 1997), p.256.

Certainly, Philby was not the only source of leakage in the Albania campaign. Indeed, Lindsay doubted that "the Kremlin wasted Philby on Albania," arguing instead that "the operation went down the drain because we couldn't maintain security in the DP camps and because the communist security apparatus was so damn strong."<sup>75</sup> While the view that the MI6 liaison officer played no role in betraying BGFIEND is questionable, given the weight of evidence to the contrary, the aftermath of the Albania operation did see the CIA launch a hunt for Soviet agents, other than Philby, who might have compromised the project.<sup>76</sup>

This search for spies, coupled with an interconnected desire to emulate and improve on communist brainwashing techniques, was instrumental in triggering one of BGFIEND's most fascinating legacies: the redoubling of the agency's mind-control programmes, which were begun by the OSS, revamped during the late 1940s, and gained new-found impetus when they were grouped collectively under the umbrella of Project MKULTRA from 1953 onwards. At least some of these mind-control experiments came under the direction of Sheffield Edwards, who headed the CIA's Office of Security, which was tasked with protecting agency personnel and facilities from penetration, but overall control of the venture was the responsibility of Dr. Sidney Gottlieb. Head of the CIA's Technical Services Staff, Gottlieb reported directly to Wisner and Helms and worked closely with Edwards's department and the Army Chemical Corps' research and bacterial warfare centre at Fort Detrick in Maryland.<sup>77</sup>

MKULTRA programmes found the CIA experimenting in the fields of applied science and technology, psychosurgery, psychoanalytic and psychokinetic methods, drug-induced behavioural manipulation, and electric shock treatment, all of which were aimed at enhancing the agency's ability to penetrate the Iron and Bamboo Curtains, and to prevent Soviet penetration of the CIA's own operations. At their most extreme, these hoped-for advances in the field of mind-control and other areas that were investigated as part of MKULTRA, were conducted to improve the CIA's capacity to perform assassination.<sup>78</sup>

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<sup>75</sup>Frank Lindsay quoted in Thomas, *The Very Best Men*, p.72.

<sup>76</sup>*ibid*, p.85; Ranelagh, *The Agency*, pp.204-205.

<sup>77</sup>Ranelagh, *The Agency*, pp.204-206; Thomas, *The Very Best Men*, p.211.

<sup>78</sup>The MKULTRA programme has been the source of a good deal of controversy. It first came to light as the result of a congressional inquiry, see Joint Hearing before the Select Committee on Human Resources, United States Senate, 95th Congress, First Session, *Project MKUltra: The CIA's Program*

The OPC had in fact created a unit in 1949, labelled PB-7, to handle "wet affairs" – namely kidnappings and murders of traitors and other undesirables – but it is said not to have been very effective. When, for example, CIA operative E. Howard Hunt uncovered and sought the elimination of an Albanian monarchist who was believed to have betrayed BGFRIEND, Colonel Boris Pash, the Russian émigré who headed PB-7, did nothing.<sup>79</sup> With the advent of MKULTRA enterprises such as Project Artichoke, however, the CIA investigated assassination in a more clinical manner, in this instance seeking to assess the hypothetical problem of whether or not "an individual of [deleted] descent [could be] made to perform an act of attempted assassination involuntarily under the influence of Artichoke."<sup>80</sup> Such activities may have been macabre and unethical, not to mention impractical, but they demonstrate how political murder became accepted as a necessary and, by the early 1960s, routinely-deployed tool for advancing American interests in the Cold War.<sup>81</sup> This trend can be traced back to the searching questions that were asked within the CIA in the wake of BGFRIEND and the failure of other offensive covert operations launched by the agency during the same period.

The Albania campaign was, finally, significant for what it taught. The operation was, like similar western enterprises mounted concurrently against the Soviet bloc, "overly-ambitious [and] too big to be really secure."<sup>82</sup> Yet, despite the recognition by some in the CIA hierarchy that in operational terms big is not always best, and the fact that the

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*of Research in Behavioral Modification* (Washington D.C., 3 August 1977). This provided a key source for subsequent investigations of the programme. The most comprehensive early study of MKULTRA is John Marks, *The Search for the Manchurian Candidate: The Story of the CIA's Secret Efforts to Control Human Behavior* (London, 1979).

<sup>79</sup>Church Report, Bk.4, pp.128-130; Simpson, *Blowback*, p.153; Thomas, *The Very Best Men*, p.85; the CIA had an "informal truce" with the NKVD/KGB whereby American and Soviet case officers were exempt from assassination, the logic being that it was in the interests of neither side to initiate a culture of reprisal, *ibid*, p.37.

<sup>80</sup>Nicholas M. Horrock, "C.I.A. Documents Tell of 1954 Project to Create Involuntary Assassins," *New York Times*, 9 Feb. 1978.

<sup>81</sup>*Alleged Assassination Plots Involving Foreign Leaders: An Interim Report of the Select Committee to Study Governmental Operations with respect to Intelligence Activities*, [Church Committee]. U.S. Senate 94 Cong., 1 Sess., Report No. 94-465 (Nov. 20, 1975).

<sup>82</sup>Richard Helms quote in Hersh, *The Old Boys*, p.274

failure of BGFIEND came as a "searing defeat" that governed "much of the suspicion around the real security problems of the Agency" for literally years, the CIA went on repeating this basic mistake throughout the 1950s and early 1960s.<sup>83</sup> More fundamentally, the Albania debacle demonstrated the enormous difficulties involved in mounting offensive operations against Soviet-backed communist regimes. Thus, while BGFIEND came as a blow to agency prestige, it also had the positive outcome of providing confirmation of the wisdom of the CIA leadership's decision to look to fresh pastures on which to flex the DDP's muscles during the Eisenhower presidency.

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<sup>83</sup>Thomas Braden quoted in *ibid*, p.296.

## CHAPTER FIVE

### ERRING ON THE SIDE OF ACTIVISM: EISENHOWER AND THE ERA OF PREVENTIVE COVERT WARFARE

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With the coming of the Eisenhower administration, the CIA's covert action mission was elevated to a position of unprecedented prominence as a tool of American foreign and defence policy. Geographically, the Cold War was widely perceived to have expanded from the Far East to the third world from 1953 onwards, and this was accompanied by a corresponding shift in the means by which the conflict was fought, from military to political.<sup>1</sup> These conditions required Eisenhower to fight his corner in a quiet but ruthless manner, with the aim of creating the inescapable impression that the United States had the upper hand in the Cold War and was maintaining its position more categorically, but at less cost, than ever before. In the sense that it was, at least in theory, silent and relatively inexpensive, covert action was the perfect instrument for meeting Eisenhower's needs. Essentially, it "held out the promise of frustrating Soviet ambitions without provoking conflict," at a time when the United States was placing outward emphasis on the doctrine of massive retaliation.<sup>2</sup>

In accordance with the objectives of its political masters, the CIA intensified its propaganda effort against the Sino-Soviet bloc, notably through RFE and Radio Liberty, which was entirely in keeping with Eisenhower's conception of achieving rollback by peaceful means. Despite the fact that containment remained central to American foreign and defence policy throughout the fifties, moreover, there is considerable evidence to suggest that Allen Dulles, who served as DCI during Eisenhower's tenure, continued the practice of sanctioning political and paramilitary offensive covert action to weaken the Kremlin's hold over Eastern Europe until 1956.

Indeed, the agency regarded the death of Stalin as presenting an opportunity to be exploited to the maximum. His succession by a Soviet leadership which sought to allow greater autonomy within its satellites, and to rehabilitate leading Eastern European nationalist-communists who had been purged during the late 1940s, was seen by the CIA as holding out the potential for triggering the type of implosion that Kennan had forecast for the Eastern bloc. With the aim of accelerating this hoped-for process,

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*Church Report*, Bk. 1, pp.109-110.

Unnamed CIA official quoted in Johnson, *America's Secret Power*, p.67.

the DDP recruited and trained Hungarian, Polish, Czechoslovak, and Rumanian paramilitary forces at a base near Munich for a large-scale operation code-named Red Sox/Red Cap.<sup>3</sup> Arms caches were smuggled into the denied areas and buried in preparation for a move by these forces should conditions become ripe for their deployment. In an attempt to ensure that conditions *would* become ripe, the DDP mounted a complementary, albeit fruitless, political action programme aimed at the identification and recruitment of prominent nationalist-communists who might spearhead anti-Soviet dissent within their respective countries.<sup>4</sup>

Only after the Russian invasion of Hungary in 1956 did the message fully register with the Eisenhower administration and the CIA that anticommunist underground organisations, whether agency-sponsored or purely indigenous, were impotent against a hegemonic adversary with the political will to use raw military power to maintain its grip.<sup>5</sup> In the face of such realities, the DDP largely abandoned its offensive paramilitary operations against the 'denied areas,' restricting its activities to probing and where possible undermining communist control in isolated, outlying regions, such as Tibet.<sup>6</sup> At the same time, emphasis continued to be focused on the agency's defensive programmes in Western Europe and other areas which were lodged firmly in the American camp.

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The Red Sox/Red Cap programme is cited in several major works as one of the most, if not *the* most substantial of the CIA's paramilitary/political action ventures to be mounted in Eastern Europe during the 1953 to 1956 period, see Ambrose and Immerman, *Ike's Spies*, p.237-240; Winks, *Cloak and Gown*, p.413; Ranelagh, *The Agency*, p.287; Grose, *Gentleman Spy*, p.436; Hersh, *The Old Boys*, pp.364-365. Ivan Thomas raised questions about the Red Sox/Red Cap programme on the strength of an interview he conducted with John Mapother, a former case officer in the CIA's Vienna station, who maintained that the agency's overall offensive planning for Eastern Europe was not as it had been presented in other treatments. Red Sox and Red Cap, Mapother claimed, were code-names for quite separate operations, see Thomas, *The Very Best Men*, p.375, note 8. However, for the purposes of this study, which is here dealing with offensive covert action generally rather than scrutinising the specifics of particular operations, the Red Sox/Red Cap cryptograph is retained.

Hersh, *The Old Boys*, pp.364-404; Prados, *Presidents' Secret Wars*, pp.119-127; Ranelagh, *The Agency*, pp.207-309; Thomas, *The Very Best Men*, pp.127-152.

Grose, *Gentleman Spy*, pp.335-337, pp.435-437.

Prados, *Presidents' Secret Wars*, pp.149-170.

The Eisenhower years saw CIA covert action take on an extra dimension, however, in that the Cold War climate of the 1950s placed a premium on the agency's capacity to conduct what might be most accurately described as preventive covert action: the removal of third world leaders whose nonaligned stances left their countries vulnerable to communist takeover, and the subsequent replacement of those leaders with strongly pro-western successors who could be relied upon to pursue policies that were compatible with American interests, if not always with the interests of the populations that they represented. Enterprises of this nature spanned the globe, from Iran to Guatemala, Indonesia to the Congo, and ultimately to Cuba.<sup>7</sup>

The individuals singled out for attention were, furthermore, not exclusively leftist rulers who were feared to be leading their countries too far to the left. The roll-call of targets also included reactionaries such as the Dominican Republic's Rafael Leonidas Trujillo Molina, whose repressive authoritarian regime was seen by Washington as holding out the danger of triggering a copycat revolution of the kind that saw Fidel Castro depose Cuba's rightist dictator Fulgencio Batista in 1959. Commenting on the wider policy dilemmas faced by Eisenhower during his two terms in the White House, H. W. Brands lauded the president for recognising the risks of "erring on the side of activism," and wisely accepting "a minor setback rather than hazard a major disaster."<sup>8</sup> When confronted with developments in the third world which he judged to be running contrary to American interests, however, Eisenhower was far less circumspect.<sup>9</sup> Indeed, in his deployment of covert action he demonstrated an appetite for the proactive which, with the possible exception of Ronald Reagan, went unmatched throughout the entire Cold War period.

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These ventures are commonly categorised along with the offensive operations directed against the communist bloc, see Godson, *Dirty Tricks or Trump Cards*, pp.36-37; Tovar, "Strengths and Weaknesses in Past Covert Action," pp.71-89; Johnson, *America's Secret Power*, pp.101-102, pp.251-60. Only in the case of Cuba, however, is such an approach correct, because the enterprises that were launched in the other countries mentioned in the text were not aimed at dislodging communist governments that were already in power, but at preventing communists from gaining control in the target countries.

H. W. Brands, "Eisenhower and the Problem of Loose Ends," in Günter Bischof and Stephen Ambrose (eds.), *Eisenhower: A Centenary Assessment* (Baton Rouge and London, 1995), p.126.

Robert McMahon, "Eisenhower and Third World Nationalism: A Critique of the Revisionists," *Political Science Quarterly* 101 (1986): 453-473.

## IKE'S WHITE HOUSE: THE STRATEGIST'S PALACE

Dwight D. Eisenhower's impeccable military credentials were regarded as a potential political asset by both the Democratic and Republican parties from as early as 1945, when Truman made clear his willingness to assist the then general in realising any ambition he might entertain of becoming president in 1948.<sup>6</sup> Eisenhower was, however, a Republican by inclination and though he had shunned any hint of partisan affiliation whilst in uniform, his acceptance of the GOP nomination in 1952 arose out of a deep personal conviction that he was the man the time demanded. Alarmed that the Truman administration's expensive remedies for containing communism carried the potential for transforming America into a garrison state, Eisenhower, as an internationalist and advocate of collective security, was also keen to prevent the Republican nomination from falling into the hands of the party's reactionary and increasingly isolationist right-wing.<sup>7</sup> Fighting a campaign that gathered momentum on a wave of extrapartisan faith in the ability of America's foremost military hero to bring a speedy and honourable resolution to a seemingly intractable foreign policy issue, namely the Korean War, Eisenhower won the popular mandate in the election of November 1952. In doing so he ended a twenty year Democratic monopoly on presidential power.<sup>8</sup>

Eisenhower was, in many respects, fortunate that his accession to the presidency coincided with a fundamental change in the climate of the Cold War. In the two months following his inauguration, Stalin died and Georgi M. Malenkov, chairman of the Soviet Union's ruling Council of Ministers, announced the willingness of the new collective Russian leadership to resolve all outstanding differences between the superpowers "peacefully and by mutual agreement."<sup>9</sup> For the Eisenhower administration, however, conciliatory gestures were not enough. If the president was to be persuaded that the Kremlin's 'peace offensive' was more than a mere tactical

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Dwight D. Eisenhower, *Crusade in Europe* (New York, 1948), p.444.

Dwight D. Eisenhower, *The White House Years: Mandate for Change, 1953-1956* (New York, 1963), p.13-22.

Charles C. Alexander, *Holding the Line: The Eisenhower Era 1952-1961* (Bloomington, 1975), pp.7-

FRUS 1952-54, Vol.8: 1130, note 2.

change designed to achieve the same long-term objectives as those held by Stalin, then Moscow would have to match its rhetoric with action. There was, moreover, a number of ongoing Cold War disputes on which to test Soviet sincerity and prime among these was the conflict in Korea.<sup>10</sup>

The armistice of July 1953 which ended the Korean War is commonly depicted as having come about as a direct consequence of American Secretary of State John Foster Dulles's threat, relayed to the Chinese through the Indian Prime Minister, to use atomic weaponry unless the communist side settled for peace.<sup>11</sup> Recent research suggests, however, that Dulles's warnings were "more discursive than decisive" and that Chinese officials, if they were aware at all of this first use of the threat of massive retaliation, were confident that the Soviet atomic bomb would deter the United States from going nuclear. This is not to say that Dulles's deployment of brinkmanship had no impact at all, but the death of Stalin and his replacement by a more accommodating Soviet leadership played a more significant role. Alert to the fact that the war was proving far more costly for the North Koreans and Chinese than for their enemies, Malenkov and his colleagues sought to demonstrate the sincerity of their espousal of peaceful coexistence by using their influence to bring the conflict to a close.<sup>12</sup>

It nevertheless took a further two years before Eisenhower was prepared to meet with his Soviet counterparts – at the Geneva Summit of July 1955. Delay at such a momentous stage in the development of East-West relations frustrated British Prime Minister Churchill at the time, and has since led Eisenhower to be accused of failing to seize on the opportunity to end the Cold War in 1953.<sup>13</sup> This criticism is unfounded, because it was unrealistic to assume then, as it is unrealistic to assume now, that the profound distrust that had built up on both sides of the superpower divide since World War II could be swept away on the strength of the assurances of Stalin's successors.

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<sup>10</sup>Eisenhower to Chiang Kai-shek, 5 May 1953, in Louis Galambos and Daun Van EE (eds.), *The Papers of Dwight David Eisenhower: The Presidency: The Middle Way*, Volume XVI (Baltimore, 1996), pp.208-211.

<sup>1</sup>Sherman Adams, *Firsthand Report: The Story of the Eisenhower Administration* (New York, 1961), p.48-49.

<sup>2</sup>Gaddis, *We Now Know*, pp.107-109, quote on p.108.

<sup>3</sup>For a brief overview of the literature on Eisenhower's alleged 'missed opportunity' see editors' introduction in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, p.9.

There were, as well, very pragmatic reasons for Eisenhower's cautious approach towards Moscow between 1953 and 1955.

Despite the fact that the prospect of Stalin's death had been discussed in American government circles since 1946, Eisenhower was dismayed to discover that no contingency plans had been drawn up for dealing with the event and its possible consequences when it actually occurred.<sup>14</sup> The next two years saw a power struggle in the Kremlin which involved an array of deeply complex and devious manoeuvres between the principle contenders. Nikita S. Khrushchev emerged supreme in 1955, but until this time American interests were best served by holding back from entering into top-level dialogue with Moscow until Washington knew exactly who it would be dealing with and that his policies were consistent with the conciliatory moves initiated by Malenkov.<sup>15</sup>

Domestic imperatives also figured prominently in Eisenhower's calculations. Though McCarthyism had proved useful up to and during the 1952 election, by providing the GOP with a stick with which to beat the Democrats and placing clear blue water between the two parties, Eisenhower's victory did nothing to curb the Wisconsin senator or the Republican 'Old Guard' to whom he was closely allied.<sup>16</sup> Indeed, the more strident GOP hawks who helped to make up the Republican majorities in the Senate and the House between 1952 and 1954 obstructed rather than assisted Eisenhower's efforts in the sphere of foreign policy.<sup>17</sup>

The China lobby, for instance, pressurised the administration to refrain from making any concessions during the 1954 Geneva Conference on Indochina, the Final Declaration of which the United States did not in fact sign – though Washington did

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<sup>4</sup>Editor's Note No.553, *FRUS 1952-54*, Vol.8: 1098.

<sup>5</sup>S.J. Ball, *The Cold War: An International History, 1947-1991* (London and New York, 1998), p.66-68.

<sup>6</sup>Broadwater, *Eisenhower and the Anti-Communist Crusade*, p.15; Eisenhower maintained that "Old guardism and McCarthyism have become synonymous," see Eisenhower to William E. Robinson, 12 March 1954, in Galambos and Van EE (eds.), *Eisenhower Papers: Presidency*, Vol. XV, pp.949-951, note on p.950.

<sup>7</sup>Eisenhower, *Mandate for Change*, p.64.

give a separate pledge to abide by the conditions agreed on by the signatories.<sup>18</sup> Closer to home, the Army became the target of McCarthy's investigations, while his hard-line congressional colleagues sought, through the Bricker Amendment, to place constraints upon presidential power.<sup>19</sup> Taking all of these factors into account, it would not have made political sense for Eisenhower to assent to conducting the first summit since Potsdam, especially in view of the fact that his own right-wing was at the time demanding that he repudiate the Yalta agreements.<sup>20</sup> Only after the president had taken the sting out of the tail of the Republican Old Guard, by first diminishing and ultimately neutralising the McCarthyite challenge, would domestic conditions favour an attempt at rapprochement with Moscow.

Fred I. Greenstein has described McCarthy's political demise as having come about through Eisenhower's deployment of a "hidden hand" strategy, while Stephen E. Ambrose's detailed and in most respects positive study of Eisenhower's presidency criticises his approach to McCarthy as negative and hesitant, and questions, albeit indirectly, whether the hidden hand strategy was the best method to pursue under these particular circumstances.<sup>21</sup> Valid as both of these arguments are, what is crucial to gauging the impact of domestic anticommunism on foreign policy is that Eisenhower may not have regarded it as prudent to organise a superpower summit until the McCarthyite challenge had been laid entirely to rest, which did not occur until the senator's censure in December 1954.

There was, as well, the point that the United States could not gain optimum benefit from a summit unless it was able to negotiate from a position of strength. This hinged on the resolution of international issues such as the short-term settlement of the

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<sup>18</sup>Galambos and Van EE (eds.), *Eisenhower Papers: Presidency*, Vol.XV, p.952, note 6; Frederick W. Marks III, *Power and Peace: The Diplomacy of John Foster Dulles* (Westport, Conn, and London, 1990) pp.62-67.

<sup>19</sup>Eisenhower to Daniel I. J. Thornton, 29 Jan. 1954, Galambos and Van EE (eds.), *Eisenhower Papers: Presidency*, Vol.XV, pp.861-862 (Thornton was the Governor of Colorado).

<sup>20</sup>Eisenhower, *Mandate for Change*, p.279.

<sup>21</sup>Greenstein, *Hidden Hand Presidency*, pp.57-99, pp.155-227; Stephen E. Ambrose, *Eisenhower: The President 1952-69* (London and Sydney, 1984), p.620; the criticisms are repeated in brief in Stephen E. Ambrose, "Epilogue: Eisenhower's Legacy," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, pp.248-249..

Indochina conflict in 1954, which, while not entirely to America's advantage, at least had the merit of temporarily preventing the Vietminh from making any further advances. Here covert action had a significant though indirect role to play, for looked at in a global context the CIA's removal of Guatemalan leader Jacobo Arbenz Guzman in June 1954 to an extent offset the gains made by what was represented as international communism, through the defeat of the French at Dien Bien Phu, which occurred at approximately the same time. The agency had also strengthened Washington's future bargaining position through an earlier venture that brought about the ouster of the Iranian premier Muhammad Musaddiq and his replacement with a government which was firmly pro-American and compliant with Foster Dulles's plan for an alliance of noncommunist countries on the 'northern tier' (see appendix 8).<sup>22</sup>

By the time of the Geneva Summit, moreover, the United States had also overcome French objections to the integration of West Germany into NATO, which took place in May 1955, and led Moscow to respond almost immediately by creating the Warsaw Pact. The long-term division of Germany was thereby recognised as a fait accompli by both superpowers. The Austrian State Treaty, signed during the same month, had established that country's neutrality, thus marking the first instance of a Red Army withdrawal since 1945 and demonstrating the sincerity of the Kremlin's pronouncements on peaceful coexistence.<sup>23</sup> Leaving aside the 'Open Skies' initiative, what the Geneva Summit amounted to, then, was superpower confirmation and acceptance of the Cold War divide in Europe.<sup>24</sup> Eisenhower nevertheless remained committed to the containment of communism and he continued to pursue the New Look policy that he had introduced in 1953 in order to bring this about.

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<sup>22</sup>H. W. Brands, *Inside the Cold War: Loy Henderson and the Rise of the American Empire 1918-1961* (New York and Oxford, 1991), pp.298-299.

<sup>23</sup>Marks, *Power and Peace*, pp.59-62; Günter Bischof, "Eisenhower, the Summit, and the Austrian Peace Treaty, 1953-1955," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, p.145.

<sup>24</sup>Eisenhower to Nikolai A. Bulganin, 27 July 1955, Galambos and Van EE (eds.), *Eisenhower Papers: Presidency*, Vol. XVI, pp.1794-1795.

## THE NEW LOOK: ASYMMETRY IN PRACTICE

The most fundamental departure in foreign and defence policy made by Eisenhower on becoming president was his determination to implement more cost-effective management of American national security requirements than his predecessor had achieved. Unlike Truman, the new president did not see the United States as facing a point of maximum danger – identified in NSC 68 as occurring in 1954. Rather, he viewed the Cold War as a prolonged struggle requiring prudent economic management, as well as effective political leadership, in order that America might preserve and enhance its global security without having recourse to degenerate into a garrison state – a danger which Eisenhower saw as jeopardising the very freedom for which his country stood if economic limits were not imposed on the American military. Thus, in April 1953, Eisenhower proposed a \$5.2 billion cut in Truman's national security budget, and, in the interest of achieving greater security at a lower cost, set a course for implementing the first phase of what would become known as the New Look.<sup>25</sup>

Several treatments of the Eisenhower presidency present the New Look as resting, if not exclusively, then certainly in large measure, on the ability of America's nuclear potential to deter communist aggression.<sup>26</sup> Eisenhower was, it is true, afforded greater flexibility in considering the tactical as well as strategic worth of nuclear weapons than the architects of NSC 68 had been, simply because the variety and range of America's nuclear arsenal had grown enormously by the time he took office, and continued to grow during his tenure.<sup>27</sup> As a consequence, the potential for depicting the *atomic* bomb as just "another weapon in our arsenal" may arguably have grown, but a similar blurring of distinctions between the enormous destructive capacity of the *hydrogen* bomb and conventional weaponry was wholly unrealistic.<sup>28</sup> Moscow possessed a

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<sup>25</sup>Morgan, *Eisenhower versus "the Spenders,"* pp.51-53.

<sup>26</sup>Alexander, *Holding the Line,* pp.68-69; Divine, *Eisenhower and the Cold War* (New York and Oxford, 1981), pp.37-39; a more recent example is the contention that "Eisenhower attempted to minimise expense by putting all, or at least most, of America's eggs in a nuclear basket, so to speak," see H.W. Brands, "Eisenhower and the Problem of Loose Ends," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment,* p.131.

<sup>27</sup>Ambrose, *Eisenhower: The President,* p.148.

<sup>28</sup>Eisenhower Diary Entry, 6 Dec. 1953, Galambos and Van EE (eds.), *Eisenhower Papers: Presidency,* Vol. XV, pp.733.

thermonuclear bomb from as early as August 1953, moreover, and worked tirelessly to develop the delivery systems to enable the Kremlin to respond in kind if the United States ever threatened the Soviet Union with massive retaliation and made good on its promise.

Projections of increasing American vulnerability to thermonuclear attack, which first came to light during Eisenhower's first year in office and were articulated most prominently in the 1957 Gaither Report, led the administration to constantly revise and gradually redirect its strategic planning away from massive retaliation and towards the flexible response doctrine adopted by Kennedy.<sup>29</sup> Recent research shows, furthermore, that the originator and most bellicose public advocate of massive retaliation, John Foster Dulles, was among those who pressed hardest privately for its abandonment.<sup>30</sup>

Eisenhower, nevertheless, placed great store in American nuclear primacy throughout his presidency, the assumption being that the United States was duty-bound to maintain its global preeminence and that such weaponry provided the only affordable means by which this could be guaranteed. Dependence on the deterrent value of 'the bomb' was, however, only one element in the Eisenhower administration's approach to national security.

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In January 1954, Foster Dulles addressed the CFR and talked of the need for the West, "free community" as he put it, to be "willing and able to respond vigorously [to communist aggression] at places and with means of its own choosing."<sup>31</sup> This has

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Robert A. Wampler, "Eisenhower, NATO, and Nuclear Weapons: the Strategy and Political Economy of Alliance Security," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, 162-190; Eisenhower himself regarded many of the Gaither Report's recommendations as alarmist, out of proportion with what he regarded as the true nature of the Soviet threat, see Dwight D. Eisenhower, *The White House Years: Waging Peace, 1956-1961* (London, 1966), pp.220-223. Wampler, "Eisenhower, NATO, and Nuclear Weapons," pp.162-190; John Lewis Gaddis, "The Expected John Foster Dulles: Nuclear Weapons, Communism and the Russians," in Richard H. Immerman (ed.) *John Foster Dulles and the Diplomacy of the Cold War* (Princeton, 1990), pp.47-77. John Foster Dulles to CFR, 12 Jan. 1954, *DSB* (25 Jan, 1954): 107.

often been interpreted as an allusion to massive retaliation,<sup>32</sup> but it actually signalled something much wider: a return to the principle of asymmetrical defence. Unlike the containment strategy deployed by Truman between 1946 and mid-1950, which prioritised the defence of key strongpoints, however, the New Look was designed to make available a wide range of possible responses to *any* given communist challenge, thus allowing the United States to retain the initiative at a sustainable cost. As John Lewis Gaddis put it, communist aggression would be met "in ways calculated to apply one's own strengths against the other side's weaknesses, even if this meant shifting the nature and location of the confrontation." This contrasted sharply from the symmetry of NSC 68, which assumed the atomic bomb to be a weapon of last resort, and envisaged America as responding in kind, both in manner and location, to its adversaries, even if this meant stationing large armies at great expense in regions that had formerly been of only peripheral value. Korea was in fact a case in point.<sup>33</sup>

Coming about as a result of the differing recommendations outlined by the three task forces which, under the aegis of Operation Solarium, were charged by Eisenhower with reassessing American national security requirements, the New Look comprised five basic elements: (i) the extension of the system of alliances which was initiated by Truman and was based on the use of indigenous ground forces backed up by American air and naval power; (ii) nuclear weapons; (iii) psychological warfare; (iv) covert action; and (v) negotiations. Each of these component parts were intended, both individually and collectively, to maximise American national security and foreign policy options following the authorisation of the New Look – outlined in NSC 162/2 in October 1953.<sup>34</sup>

As has already been pointed out, the successful testing of hydrogen warheads by both superpowers within fourteen months of Eisenhower becoming president, could only have emphasised the need for alternatives to the doctrine of massive retaliation. Indeed, Eisenhower was ever cautious in stressing that the option of using nuclear weapons carried enormous consequences and should not be taken lightly.<sup>35</sup> Dulles also

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<sup>2</sup>Brands, "Eisenhower and the Problem of Loose Ends," in Bischof and Ambrose (eds.), *Eisenhower: Centenary Assessment*, p.131.

<sup>3</sup>Gaddis, *Strategies of Containment*, pp.147-149, quote from p.147.

<sup>4</sup>*ibid*, pp.147-153.

<sup>5</sup>Ambrose, *Eisenhower: The President*, p.123.

made attempts to clarify what he saw as misinterpretations of his 1952 campaign pronouncements. Massive retaliation did not necessarily mean that a communist attack somewhere in Asia would be met by atomic or thermonuclear attacks on "the industrial centres of China or Russia," the Secretary of State pointed out. Nuclear weaponry was "not the kind of power which could most usefully be evoked under all circumstances."<sup>36</sup> Common sense, then, dictated that an appropriate range of proposals be incorporated into the New Look.

An examination of global political events between 1953 and 1955, furthermore, indicates that Eisenhower was not slow to convert theory into practice. Regardless of whether or not Washington's use of the threat of massive retaliation was actually responsible for intimidating Mao and Kim Il Sung into suing for peace, brinkmanship was nonetheless deployed as part of the American effort to bring about the Korean armistice. The deterrent strategy was also used during the crisis over Quemoy and Matsu between late 1954 and early 1955, while the founding of the South East Asian Treaty Organisation (SEATO) in 1954 and the establishment of the Baghdad Pact in 1955 were examples of the alliance system at work.<sup>37</sup> Although it took place before the New Look received official approval, the overthrow of Musaddiq in August 1953 supplies proof, as does the Guatemala coup of June 1954, that the closely interconnected components of psychological warfare and covert action were very much in use. Finally, the "Atoms for Peace" and "Open Skies" negotiating proposals might also be viewed in the context of asymmetry in practice, since each resulted in Eisenhower winning valuable propaganda victories.

There were inherent weaknesses in the New Look. Along with the other drawbacks of massive retaliation already discussed, there was the added problem that it was subject to the law of diminishing returns: the more often the administration resorted to nuclear brinkmanship, the less credible its threats of massive retaliation would become. Pacts could be exploited by friends as well as foes to incite the United States into intervening

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<sup>36</sup>John Foster Dulles, "Policy for Security and Peace," *Foreign Affairs* 32 (April 1954): 353-364, at 363.

<sup>37</sup>The signatories of the Manila Pact, which established SEATO, were the US, the UK, France, Australia, New Zealand, the Philippines, Thailand, and Pakistan, but a special protocol to the treaty extended coverage to Indochina. The US was an associate, though not a fully-fledged member of the Baghdad Pact, which was made up of the UK, Iran, Iraq, Pakistan, and Turkey.

in areas that would otherwise not have been crucial to American interests – this was not of course unique to the Eisenhower administration, but the risk was higher simply because greater reliance was now placed on pacts than before. Covert action and psychological warfare projects always carried the risk of having a negative impact on the integrity and credibility of the United States, should such operations be unmasked.

Eisenhower nonetheless continued to utilise each of the key elements of the New Look throughout his presidency with, for example, massive retaliation again being threatened during the second Quemoy and Matsu crisis in 1958.<sup>38</sup> When Iraq left the Baghdad Pact in 1959, Washington signed bilateral executive agreements with the remaining members, thereby reconstituting the alliance as the Central Treaty Organisation (CENTO) and reaffirming American determination to enforce containment along the northern tier (see appendix 8).<sup>39</sup> Though outstanding superpower differences such as on Formosa and Berlin remained unresolved, the Eisenhower administration also continued to use negotiations to enhance global stability and secure propaganda victories. The president's decision to take the initiative on the test ban issue in 1958 and halt nuclear tests in the atmosphere stands as a case in point.<sup>40</sup> Finally, presidential resort to the many and varied forms of covert action was always evident, and this extended well beyond efforts to instigate quickly executed coups d'état.

Eisenhower's predilection for asymmetry goes some way towards explaining why, during his tenure, such strong emphasis was placed on the two camps view of an American-led free world being confronted by a Soviet-controlled global challenge. Here again, there was a marked discrepancy between Washington's public pronouncements and the assumptions and imperatives that held sway within government circles. It had been evident from the time of Yugoslavia's breakaway from the Cominform that the United States did not face a monolith, and Eisenhower himself was convinced that the Sino-Soviet alliance was not a natural one. Indeed, the president contemplated using Japan and other noncommunist countries as conduits for the establishment of trade links between the United States and the PRC. The hope was that such moves would compound existing propensities for fissures between Moscow

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<sup>38</sup>Eisenhower, *Waging Peace*, pp.295-302.

<sup>39</sup>*ibid*, pp.487-489.

<sup>40</sup>Divine, *Eisenhower and the Cold War*, p.130.

and Beijing.<sup>41</sup> Tito's assurance to Eisenhower that "the Red Chinese hate Yugoslavia more vehemently than the Americans,"<sup>42</sup> moreover, suggested that the potential for intracommunist rifts cut more than one way and was pregnant with possibilities for Washington to exploit.

There was, as well, a paradoxical dimension to Eisenhower's overtly doctrinaire appraisal of international communism as monolithic, in that it was designed partly to accentuate divisions in the Marxist camp.<sup>43</sup> Coercion rather than conciliation, Dulles maintained implicitly in 1956, provided the most effective means of inducing a heightened spirit of independence in Mao's China.<sup>44</sup> More fundamentally, Washington's capacity to act on the asymmetry that was central to the New Look and achieve maximum benefits from doing so, was dependent on the presentation of a crude, ideologically-based global dichotomy. It would not, for instance, have been feasible for the Eisenhower administration to caution Beijing against action in Indochina by warning that such moves might have repercussions elsewhere; to maintain that a Russian attack on Turkey would not necessarily be countered on Turkish soil;<sup>45</sup> or to depict the Iran and Guatemala coups as victories against international communism, unless Washington had also portrayed the 'free world' as being pitted against a monolith.

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#### DIFFERING PERCEPTIONS OF NEUTRALISM: FIRST WORLD AND THIRD WORLD

A major criticism of the Eisenhower administration has been that its adoption of an oversimplified and patently false bipolar worldview impaired its ability to distinguish between neutralism and communism. In this respect Foster Dulles is charged as having been especially culpable, through his portrayal of nonalignment as an immoral position to take in a conflict such as the Cold War where, in his view, the forces of

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<sup>1</sup>Gordon H. Chang, "Eisenhower and Mao's China," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, pp.195-196.

<sup>2</sup>Eisenhower, *Waging Peace*, p.583.

<sup>3</sup>Gaddis, *Strategies of Containment*, p.143.

<sup>4</sup>Dulles press conference, 24 April 1956, *DSB* 34 (7 May 1956): 752.

<sup>5</sup>Marks, *Power and Peace*, p.107.

good and evil were so clearly pronounced.<sup>46</sup> While there is an element of truth to this picture, it is far from accurate and in need of some refinement.

The key to understanding the stance taken by Eisenhower and Dulles towards neutralism is that they regarded it as fluid rather than static, and the principal determinant influencing whether they supported or opposed it was the political direction in which they believed it to be leading. Prior to the 1952 election, for example, Foster Dulles told Yugoslavia's Vice Minister for Foreign Affairs that Belgrade's detachment from the Soviet orbit set an important precedent, in that it had been accomplished peacefully. As such, it pointed to "the possibility that countries such as Czechoslovakia, Poland, and China might follow suit and resume effective control of their own affairs," thereby signalling the potential for the break-up of "the Soviet empire without war."<sup>47</sup>

The Secretary of State returned to the subject of utilising neutralism as a trigger for rollback by peaceful means in 1955, after the signing of the Austrian State Treaty. Whereas Yugoslav nonalignment, in retaining Marxist governance, was seen as spawning only a contagion for *independence* from Soviet rule, however, Austrian neutrality was regarded by Dulles as fuelling aspirations for *freedom* behind the Iron Curtain.<sup>48</sup> The validity of his appraisal became evident the following year, after Khrushchev's repudiation of Stalin at the Twentieth Congress of the Soviet Communist Party in February 1956. Within nine months of the speech Poland was seeking to loosen its bonds with Moscow.<sup>49</sup> Meanwhile Hungary attempted to withdraw from the Warsaw Pact and declare its neutrality.<sup>50</sup> RFE was at the time accused of inciting the Hungarian uprising by promising western armed assistance, but this was not in fact the case. What the CIA did was "cross-report" events in Poland and Hungary but, RFE

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<sup>46</sup>Townsend Hoopes, *The Devil and John Foster Dulles* (Boston, 1973), p.350.  
<sup>47</sup>Eisenhower to Foster Dulles, 30 June 1952, Galambos and Van EE (eds.), *Eisenhower Papers: NATO and the Campaign of 1952*, Volume XIII (Baltimore, 1989), pp.1264-1265, note 1; for complete account see *New York Times*, 22 June 1952.  
<sup>48</sup>"An Historic Week," *DSB* (30 May 1955): 871-876.  
<sup>49</sup>Memo. by the Chief of the Division of Research for the USSR and Eastern Europe (Klosson), 20 Oct. 1956, *FRUS 1955-57*, Vol.25: 253-255.  
<sup>50</sup>For State Department correspondence during the crucial period of the Hungarian uprising see *ibid*: 366-432.

maintained, this amounted to only "straight news reporting," that offered no "tactical advice."<sup>51</sup> Rather than transmit its own propaganda, moreover, the agency picked up low-powered radio signals from within Hungary itself that called for revolution, then broadcast these insurrectionary pleas over the 'Mighty Wurlitzer' to ensure that they reached every corner of the country.<sup>52</sup>

For the Eastern European satellites, it would seem, 'separate paths to socialism' led westwards, with the Yugoslav and Austrian models pointing the way. The drawback in Foster Dulles's analysis was his naive belief that, in the Cold War environment of the 1950s, this process could take place by peaceful means. Austrian neutrality, de-Stalinization, and peaceful coexistence aside, Khrushchev had no intention of dismantling voluntarily the security buffer zone that the Russians established in 1945. Hungarian aspirations to break free from the Kremlin's grip and opt for nonalignment were thus crushed by Russian tanks.<sup>53</sup>

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It is for his approach to neutralism in the third world, however, that Eisenhower has drawn most fire. Post-revisionists maintain that the president viewed the emergence of "vigorous, broad-based, and assertive" third world nationalism, "the single most dynamic element in international affairs" during the 1950s, "through the distorting lens of a Cold War geopolitical strategy" that regarded Moscow "as the principal instigator of global unrest." As a consequence, the Eisenhower administration "simplified complicated local and regional developments, confusing nationalism with communism" and wedding the United States to "inherently unstable and unrepresentative regimes" in areas undergoing fundamental change and upheaval.<sup>54</sup> This picture has considerable credibility but again is in need of some qualification.

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<sup>1</sup>Notes from the 46th Meeting of the Special Committee on Soviet and Related Problems, 13 Nov. 1956, *ibid.*: 437.

<sup>2</sup>For the impact of RFE broadcasts see Jackson, *Dulles-DCI*, Vol.3, p.101.

<sup>3</sup>Special National Intelligence Estimate, "Probable Developments in Soviet Satellite Relations," 27 Nov. 1956, *FRUS 1955-57*, Vol.25: 482-490.

<sup>4</sup>McMahon, "Eisenhower and Third World Nationalism," 456-457.

The term 'third world' is so broad as to defy adequate definition, but the one goal common to the nations categorised under this unsatisfactory rubric was that they all sought to achieve social, economic, and political advancement as rapidly as possible. In this respect, the Soviet Union enjoyed a decided advantage over the western powers, for the Bolshevik model of accelerated development offered an attractive precedent for third world countries to follow. The impingement of Cold War issues on the developing world became more pronounced from 1953 onwards, for while Stalin had held back from supporting movements outside of the Soviet bloc that were not under communist leadership, his successors pursued a far more flexible approach. The core assumption informing Malenkov and Khrushchev was that third world neutralism "contained an inherently anti-western bias, given the legacy of colonialism," and could serve as a way-station for the spread of communism proper.<sup>55</sup>

In terms of American policy towards the third world, Washington's fears were an echo of Moscow's ambitions, the Eisenhower administration's overriding anxieties being that nonalignment in developing regions: (1) was following a leftward trend; and (2) was susceptible to hijack by local communists who served as an advanced guard for Moscow, and thereby provided an opening wedge for Soviet penetration in areas of vital strategic and economic importance for the United States. Of prime concern were the Far East and the Middle East, where issues such as the establishment and maintenance of the chain of interlocking alliances prescribed in the New Look to contain communism, and the protection of vital natural resources, notably the West's oil supplies, took precedence. Equally significant was Latin America, which Eisenhower – in keeping with the policies of an unbroken succession of administrations that led all the way back to the proclamation of the Monroe Doctrine – regarded as the sole preserve of the United States.<sup>56</sup> Sub-Saharan Africa, on the other hand, proved to be of limited interest to Washington, at least up until the Congo crisis of 1960 to 1961, largely because the process of decolonisation was far less advanced

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<sup>55</sup>Gaddis, *We Now Know*, pp.158-160; Crockatt, *The Fifty Years War*, pp.175-176, quote on p.175.

<sup>56</sup>Memo. of Conversation, Eisenhower and Foster Dulles, 27 Feb. 1956, folder 4, box 4, White House Memoranda Series, Dwight D. Eisenhower Papers as President of the United States (Ann Whitman files) 1952-1961, Dwight D. Eisenhower Library, Abilene, Kansas (hereafter cited as DDEL).

there than elsewhere, and the United States, like the Soviet Union, had neither a tradition of involvement nor any major interests at stake on the continent.<sup>57</sup>

The countries and regions that posed particular difficulties for Eisenhower were those where third world nationalism, decolonisation, and national security imperatives intersected. Cuba and the Philippines notwithstanding, the United States had a tradition of regarding itself as an anti-imperialist power. With the onset of the Cold War, however, Washington softened its line towards European colonialism in the face of the threat posed by Soviet communism, which Americans viewed as another form of imperialism, albeit a more sinister and pervasive version. As the superpower conflict expanded and took on global proportions, so the degree to which anticommunism took precedence over anti-imperialism increased.

This is not to say that Washington opposed decolonisation, but it did seek to manage the process with Cold War interests firmly to the fore. With the notable exception of the Suez crisis, the United States was prepared to temper its anti-imperialist inclinations in the Middle East, North Africa, and Indochina, for instance, in order to maintain the strongest possible support from Britain and France for American national security policies in Western Europe.<sup>58</sup> Also fundamental was the American concern that nations rising from under imperial domination should experience a gradual evolution to the type of western democracy that the United States hoped all third world countries would adopt, and the colonial powers were envisaged as playing an important role in the successful implementation of such transitions.<sup>59</sup>

For their part, Eisenhower and Foster Dulles were driven by a determination to prevent the creation of political vacuums into which, it was feared, local Marxists could step

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<sup>57</sup>McMahon, "Eisenhower and Third World Nationalism," 469-470; Crockatt, *The Fifty Years War*, pp.169-170; Discussion at the 456th Meeting of the NSC (18 Aug 1960), 25 Aug. 1960, folder 9, box 13, Policy Paper Subseries, NSC Series, AWF, DDEL.

<sup>58</sup>Anna K. Nelson, "The Importance of Foreign Policy Process: Eisenhower and the National Security Council," in Bischof and Ambrose (eds.), *Eisenhower: A Centenary Assessment*, pp.116-117; Crockatt, *The Fifty Years War*, p.174; Brands, *Inside the Cold War*, p.242.

<sup>59</sup>Eisenhower to Churchill, 22 July 1954, Galambos and Van EE (eds.), *Eisenhower Papers: The Presidency*, Vol.XV, pp.1207-1209; Eisenhower to Alfred M. Gruenther, 30 Nov. 1954, *ibid*, pp.1413-1415.

and lead newly-emerging nations that were not educated to the dangers posed by international communism into the Soviet camp.<sup>60</sup> These considerations became crucial in a Cold War which, after the cessation of hostilities in Korea, was primarily a political conflict, in which perceptions were of vital importance. Any form of communist advance was deemed to be a blow to the United States and its allies, not only in material terms, but also for the psychological impact on the western powers and the uncommitted: and for the Soviets the same zero-sum game logic applied in reverse. It was against this background that CIA covert action as a whole, and preventive operations in particular, came to play such a prominent role during Eisenhower's tenure.

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#### THE CIA 1953-1961: FULLY GROWN AND COMING OF AGE.

The coming of the Eisenhower administration brought with it a unique set of factors which converged to allow the CIA to attain a prominence and respect that had hitherto evaded it and which the agency has since failed to recapture. Crucial among these was the fact that the DCI, Allen Dulles, was the Secretary of State's brother and that both men quickly won and continued to enjoy the trust of the president. Such close personal ties in turn enabled formal procedures between the NSC, the CIA, and the State Department to be bypassed easily.<sup>61</sup> This was particularly significant in view of Eisenhower's prioritising of the NSC itself, which contrasted sharply with Truman's less active approach towards this, the CIA's controlling body.<sup>62</sup> First hand experience, both in commanding the western allies in Europe during World War II and NATO forces afterwards, had provided Eisenhower with an appreciation of the value of effective intelligence collection and clandestine operations. The development of covert action programmes, furthermore, served as an inexpensive alternative to the use of conventional military force and was a necessary component of the New Look. Eisenhower was, however, also fortunate that by the time of his inauguration the CIA had multiplied sixfold since 1947 and acquired the basic scale and structure that it was

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<sup>60</sup>Memo. of Conversation, Eisenhower and Foster Dulles, 27 Feb. 1956, folder 4, box 4, White House Memoranda Series, AWF, DDEL.

<sup>61</sup>*Church Report*, Bk.1, p.110.

<sup>62</sup>Greenstein, *Hidden Hand Presidency*, p.124.

to retain for the next two decades.<sup>63</sup> It was therefore an effective organ of government, ready for immediate deployment under the supervision of a president who favoured 'hidden hand' strategies and a DCI who proved to be the most proactive in the agency's history.

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Allen Dulles's enormous enthusiasm for covert action is stressed in all primary and secondary works on the CIA and on his own career. His reputation as "the quintessential case officer" originated during his days as OSS chief in Berne, Switzerland, which was a key centre of operations against Germany and Italy. Even after returning to work for his prewar employers, the New York law firm of Sullivan and Cromwell in 1945, Dulles maintained close contact with the CIG/CIA. He served as a consultant on the DCI's Intelligence Advisory Committee, for instance, before officially joining the CIA in 1951. He was also chairman of the CFR and made a substantial contribution in shaping the agency through his work on the Dulles-Jackson-Correa Committee.<sup>64</sup>

At the same time, Dulles was never content to merely confine himself to the passive role of adviser. Rather, he was active in fighting communism from the earliest days of the Cold War. His efforts as the chairman of the CFR and a prominent member of the Italy lobby to procure private funding for the defeat of the PCI-PSI in 1948 are evidence of this. Dulles's activism was, in fact, so conspicuous that Soviet agents assumed that his legal business for Sullivan and Cromwell was a cover.<sup>65</sup> Moscow was not, however, alone in viewing the would-be DCI's activities, whether as a private citizen or a leading official of the CIA, with trepidation.

Having observed at close range Dulles's propensity for what Sherman Kent of the Board of National Estimates referred to as "the monkey business of intelligence work," Bedell Smith harboured serious reservations about his deputy. The basis of Smith's fears was that Dulles's eagerness to resort to the covert where restraint or another more appropriate form of action could be better employed would ultimately backfire on the

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<sup>63</sup>Church Report, Bk. 1, p.109.

<sup>64</sup>Karalekas, *History of the CIA*, pp.43-44; Montague, *Smith-DCI*, pp.12-14, pp.88-94, pp.43-46.

<sup>65</sup>Grose, *Gentleman Spy*, p.301.

agency, the presidency, and the nation. In essence, the general anticipated the Bay of Pigs debacle. Consequently, when Eisenhower took office and proposed to move Smith to the post of Under Secretary of State, the outgoing DCI urged the president to think carefully before handing the management of the agency over to Dulles, who was seen by many as the natural successor to the job.<sup>66</sup> Indeed, Eisenhower himself entertained reservations about the selection of the Dulles brothers, both individually and as a team, and this goes part of the way to explaining why he moved Smith to the State Department.

Referring to the selection of Foster Dulles as Secretary of State, Ambrose argues that "Ike never really considered anyone else."<sup>67</sup> Yet Eisenhower remained uneasy about Dulles's bellicosity both before and immediately after winning power, and initially considered appointing John McCloy as Secretary of State.<sup>68</sup> Such a move would certainly have met with approval abroad since a number of important foreign statesmen, including Churchill and his Foreign Secretary, Anthony Eden, expressed marked disdain for Foster Dulles. Indeed, it was more through a need to placate the Taft wing of the Republican party than any conviction that Dulles was the right man for the job that Eisenhower arrived at his final decision.<sup>69</sup>

Having appointed Dulles to the position he had been training for all his life, the president saw it as being in his own interests to limit the Secretary of State's freedom of action. A number of historians have maintained that Dulles gave clear indications during the 1952 campaign that he would adhere to Eisenhower's wishes, but these observations were arrived at with the benefit of hindsight. The new president could not at the time be sure that Dulles would refrain from pursuing an independent line.

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<sup>66</sup>*ibid*, p. 354; Montague, *Smith-DCI*, p. 264.

<sup>67</sup>Ambrose, *Eisenhower: The President*, p. 20.

<sup>68</sup>Hoopes, *Devil and John Foster Dulles*, pp. 127-128; Herbert Brownell, with John P. Burke (foreword by John Chancellor), *Advising Ike: The Memoirs of Attorney General Herbert Brownell* (Lawrence, Kansas, 1993), p. 134.

<sup>69</sup>Peter G. Boyle (ed.), *The Churchill-Eisenhower Correspondence, 1953-1955* (Chapel Hill and London, 1990), p. 11; Hoopes, *Devil and John Foster Dulles*, pp. 135-136.

Eisenhower therefore surrounded Dulles with presidential confidantes, prominent among whom was Bedell Smith, who became Under Secretary of State.<sup>70</sup>

After leaving office, Eisenhower himself stated that it was actually Foster Dulles who chose Smith as his second in command, and one formerly high ranking CIA official, Lyman Kirkpatrick, took the point a stage further. Kirkpatrick argued that Dulles made the selection with the ulterior motive of providing an opening for his brother to become DCI.<sup>71</sup> Subsequent evidence, however, flies in the face of this. Brownell, for instance, maintains that it was in fact Eisenhower who chose Smith and that the president arrived at his decision "without consulting [Lucius] Clay or me; I think he even appointed Smith without telling Dulles beforehand."<sup>72</sup> Equally pertinent is the point that with regard to relations with Foster Dulles, Smith stood four square with Churchill and Eden. So pronounced was Smith's dislike for Dulles that the former resisted accepting the job of Under Secretary on grounds that he and Dulles lacked the level of mutual respect that was necessary to enable the State Department to run smoothly.<sup>73</sup> In Smith's calculations, then, reluctance to accept the new appointment was compounded by concern about who his replacement would be as DCI, and the Dulles brothers were at the core of his reservations on both counts.

From Eisenhower's standpoint, however, the respective positioning of Foster Dulles and his brother as Secretary of the State and DCI offered clear advantages. The recommendations of Operation Solarium, after all, envisaged covert action as playing a crucial role in the furtherance of the new administration's foreign and defence policies. Close cooperation between the State Department and the CIA was essential for the successful pursuit of such an approach, and in this respect the Dulles brothers were an ideal team. Allen Dulles was thus confirmed DCI on 26 February 1953. For his part, Bedell Smith was well placed to keep a watchful eye on the Dulles brothers, since he was a key functionary at State and also had first-hand experience of managing the CIA.<sup>74</sup>

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<sup>70</sup>Adams, *Firsthand Report*, p.89; Hoopes, *Devil and John Foster Dulles*, pp.128-133; Montague, *Smith-DCI*, p.265.

<sup>71</sup>Eisenhower, *Mandate for Change*, p.43; Montague, *Smith-DCI*, p.264, note 225.

<sup>72</sup>Brownell, *Advising Ike*, p.134.

<sup>73</sup>Montague, *Smith-DCI*, pp.263-264.

<sup>74</sup>*ibid*, p.266.

## SPECIALISATION

At the outset of his period as DCI, Allen Dulles understood that the CIA was still a relatively new and insecure organisation which "had to prove itself and gain the respect of its elders," namely the State Department and the military.<sup>75</sup> The agency needed essentially to *specialise*, and produce demonstrable successes in order to enhance its reputation. This objective, moreover, needed to be achieved quickly if only for considerations pertinent to Dulles: (1) he was the first civilian DCI; (2) he did not enjoy the prestige and status of his predecessor; and (3) he was eager to place his own stamp on the new administration. The most productive course of action was therefore to prioritise the agency's covert action mission.

Several factors guided Dulles's reasoning. The CIA was alone in its ability to deploy political, economic, paramilitary, and psychological warfare programmes, and the post-Korean War global environment lent itself to the promotion of these unique clandestine functions that the agency performed.<sup>76</sup> The political requirements of Eisenhower and Foster Dulles were matched by the professional inclinations of the Secretary of State's brother. Allen Dulles's experience, interests, and expertise lay, as has been discussed, in the operational aspects of intelligence, and he found the use of covert action easy to justify. In the fight against communism, the DCI later wrote, the United States "should not shy away from mobilising [its] efforts and assets and applying them vigorously."<sup>77</sup> What must, however, be stressed is that the DCI was quite specific, not only about the type of CIA efforts and assets that should be prioritised – specifically covert action – but also *where* such instruments should be deployed.

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Allen Dulles was never under the illusion that the great rhetorical store that his brother set on rolling back the frontiers of communism and freeing the "captive peoples" of Eastern Europe amounted to anything more than political posturing, designed primarily for domestic consumption. Eisenhower sought to temper Foster Dulles's militant

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<sup>75</sup>Allen W. Dulles, *The Craft of Intelligence* (London, 1963), p.195.

<sup>76</sup>*Church Report*, Bk.1, pp.109-110.

<sup>77</sup>Dulles, *Craft of Intelligence*, p.225.

rhetoric even before the 1952 presidential campaign had ended. The liberation of Eastern Europe, as envisaged by the would-be president, was to be achieved by "peaceful means," and this was the stance that Eisenhower adopted once in office – as American inaction while Soviet tanks crushed the Hungarian uprising in 1956 clearly demonstrated.<sup>78</sup> Even prior to Allen Dulles's appointment as DCI, however, unequivocal evidence had been brought to his attention suggesting that if the CIA was to achieve visible operational successes without incurring unacceptable risks then it would need to shift its focus away from the European theatre.

In autumn 1952 the CIA's outgoing Director of Operations for Eastern Europe, Frank Lindsay, produced an internal memorandum on the effectiveness of covert action in the region that had been under his charge. The report was requisitioned by Dulles and though it has subsequently been "lost" from the CIA's files, Lindsay himself has made it clear that his conclusions were uncompromisingly negative.<sup>79</sup> The overall assessment was that Wisner's efforts to penetrate the Soviet bloc had proved entirely futile and constituted a grave misuse of agency resources, not to mention a tragic waste of human life. Despite the fact that Dulles initially contested Lindsay's arguments, the clearest subsequent course of action was for the CIA to ply its covert trade elsewhere. The logic of such a move was anyway reinforced by the fact that following Stalin's death his successors eased legal travel throughout the Soviet Union and Eastern Europe, which enabled the agency to practice what Rositzke terms "legal" methods of penetration.<sup>80</sup>

The Church Report listed the CIA's regional priorities in the 1950s as being: (1) Europe; (2) the Far East; and (3) Latin America. This was, however, a very broad and generalised overview.<sup>81</sup> For sure, Europe attracted a great deal of attention from the agency, but clandestine operations there were concentrated on political containment in Western Europe, and were thus for the most part defensive projects. In terms of offensive covert action, new ventures were launched in locations where communist control was deemed to be tentative and local resistance strong, for example, in Tibet where the CIA's STCIRCUS programme was initiated to provide support for the

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<sup>78</sup>Gaddis, *Strategies of Containment*, p.128.

<sup>79</sup>Frank Lindsay interview with Grose, *Gentleman Spy*, p.356, note 38.

<sup>80</sup>Harry Rositzke, "America's Secret Operations," 335-336.

<sup>81</sup>Karalekas, *History of the CIA*, p.49.

Khamba warriors in their efforts to liberate their country from Chinese control.<sup>82</sup> In a broader sense, the agency placed ever greater emphasis on acting pre-emptively to prevent communism taking hold in the third world. This trend did not, however, result purely from a desire on the CIA's part to achieve tangible successes in order to impress its political masters and counter its bureaucratic rivals.

In the eyes of many CIA operatives, the agency's interventions in the developing world amounted to well-intentioned assistance. Indeed, Allen Dulles put this view across very clearly himself. "Operating in countries which have recently obtained their freedom from colonial status, the Communist movement endeavours to present itself as the protector of the liberated peoples against their former colonial overlords." Moscow was believed by Dulles to be utilising an "orchestra of subversion" to bring these unwitting backwaters into the Soviet Union's ideological sphere. Therefore, in the genuine belief that it was morally obligated to foster global freedom and democracy, the CIA saw itself as being perfectly justified in resorting to any means necessary to counter such underhand and duplicitous Russian tactics.<sup>83</sup> If an American owned multinational benefited as a result, then all the better. Even if this did compromise the very principles that the agency purportedly stood for, it was quite easy for Dulles and his compatriots to convince themselves that their clandestine programmes would serve the long-term good of the people in the target country.

Certainly this ethos prevailed during the CIA's interventions in Iran and Guatemala, both of which stand as pivotal events in the agency's history. Quick and relatively bloodless affairs, they were instrumental in leading policymakers in Washington and agency officials alike to acquire a sense of confidence in the CIA's capacity to produce operational successes in the furtherance of foreign policy.<sup>84</sup> As a consequence of these and other less publicised 'victories,' the DDP continued to predominate in terms of financial resources and personnel within the agency throughout the 1950s. Absorbing

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<sup>82</sup>For details on the Tibetan operation see Prados, *Presidents' Secret Wars*, pp.149-170 and Thomas, *The Very Best Men*, pp.275-278. More recent information on the Tibetan campaign, including the code-name STCIRCUS, emerged in an hour long *Everyman* documentary, broadcast on BBC 1 in 1998 and entitled *The Shadow Circus: The CIA in Tibet*. Most of the key CIA operatives involved in the Tibetan project took part in this documentary.

<sup>83</sup>Dulles, *Craft of Intelligence*, pp.215-230.

<sup>84</sup>*Church Report*, Bk.1, p.111.

a yearly average of 54 percent of the total annual budget over Eisenhower's two terms as president and commanding the consistent attention of an enthusiastic DCI, the DDP was a "directorate apart."<sup>85</sup> Clandestine operations of unprecedented variety and scope accordingly proliferated over the decade.

In specialising in covert action, however, the CIA's managers demonstrated an accompanying disinclination to develop the agency's intelligence gathering, coordinating, and estimating functions. This was apparent even within the DDP itself, as Copeland's reflections on the period illustrate: "those of us who manned the desks in area divisions were beginning to feel like second class citizens."<sup>86</sup> Indeed, Allen Dulles's neglect of the DDI has subsequently been seen as having amounted to a lost opportunity.<sup>87</sup> Yet in pursuing such a course, the DCI was in a sense merely recognising the difficult realities of attempting to interact with other agencies in an intelligence community which was at the same time expanding and diversifying in the services it provided for government.

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The CIA was established to coordinate, and thereby streamline and make more efficient, the entire American intelligence effort. However, from the time of its inception the agency consistently failed in this mission. Despite Bedell Smith's reorganisation of the CIA's collection and evaluation procedures, the most pressing problem endured. The Defense Department's intelligence components continued to guard their own information jealously and excluded the DDI from military analyses.<sup>88</sup> Allen Dulles identified the essence of the CIA's difficulties in this respect when he later reflected that "it is in the nature of people and institutions that any upstart is going to be somewhat frowned upon and its intrusions resented at first by the more well established and traditional institutions."<sup>89</sup> The problem was, moreover,

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<sup>85</sup>*ibid*, p.112.

<sup>86</sup>Copeland, *The Game Player*, p.196

<sup>87</sup>*Church Report*, Bk.1, p.111.

<sup>88</sup>Karalekas, *History of the CIA*, p.56.

<sup>89</sup>Dulles, *Craft of Intelligence*, pp.194-195.

particularly acute during the 1950s when all branches of the military were making determined attempts to defend their ground against post-Korean War cutbacks.<sup>90</sup>

There was as well the additional consideration that *none* of America's intelligence agencies had been successful in securing reliable information on the Soviet Union, which rendered the task of assessing Russian capabilities and intentions accurately all but impossible. Eisenhower's irritation at the lack of reliable information on the likely repercussions, within the Soviet Union generally and the Politburo in particular, following Stalin's death, provides ample evidence of this.<sup>91</sup> The CIA was therefore well advised to shift the primary focus of its activities away from prediction, regardless of whether or not the military and State Department intelligence components were prepared to cooperate. Also to be taken into account is the point that the CIA was established very hurriedly. It consequently did not have time to build up long-term under-cover networks and so had to rely on information passed on from the intelligence agencies of America's allies. Unfortunately, all of the prime sources of support were to a greater or lesser extent compromised. The CIA was, for example, as suspicious of ex-Nazis in the Gehlen organisation, as it was of Zionists in the Israeli intelligence service, and defections of Burgess and Maclean, along with the uncovering of Philby, had left the British SIS tainted.<sup>92</sup>

The agency's efforts in the sphere of traditional espionage and prediction during the 1950s were thus, in the estimation of Richard Bissell, disappointing. The whole world had, as Allen Dulles pointed out, become an arena for conflict and it was impossible to foretell where the next danger would develop.<sup>93</sup> Senior policymakers did not anyway read the National Intelligence Estimates (NIEs) that the DDI circulated, which could only have accentuated the sense of futility surrounding the whole exercise.<sup>94</sup>

Equally influential on the CIA's disinclination to prioritise the collection and evaluation of intelligence by traditional methods was the trend towards specialisation in the intelligence community generally, as exemplified by the National Security

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<sup>90</sup>Karalekas, *History of the CIA*, p.61.

<sup>91</sup>Editor's Note No.553, *FRUS 1952-54*, Vol.8: 1098.

<sup>92</sup>Grose, *Gentleman Spy*, p.348.

<sup>93</sup>Marchetti and Marks, *Cult of Intelligence*, p.24; Dulles, *Craft of Intelligence*, p.55.

<sup>94</sup>Karalekas, *History of the CIA*, pp.56-57.

Agency (NSA). Founded by secret presidential signature on 4 November 1952, the NSA was established in an effort to meet the recommendations of the Brownell Committee, which during the previous June had stipulated the need for the United States to improve its capacity to produce SIGINT (intelligence derived from the interception and analysis of signals).<sup>95</sup> Well aware of the invaluable role played by the Anglo-American MAGIC and ULTRA decrypting offensives in the defeat of the Axis powers during World War II, and of VENONA in the fight against communism, Eisenhower poured enormous resources into the NSA during his two terms as president.<sup>96</sup> Consequently, the new agency very quickly became the forerunner in the research and development of computer technology, and it soon outgrew the CIA in terms of both budget and personnel.<sup>97</sup>

Eisenhower's commitment to the NSA was not misplaced, for advances in SIGINT technology produced results that literally revolutionised the intelligence collection and evaluation capacity of the United States. The NSA, for example, discovered gaps in the Soviet air defence system that left a large section of northern Siberia without radar cover. The new agency also opened the way for American monitoring of the first Russian Intermediate Range Ballistic Missile (IRBM) launches.<sup>98</sup>

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### THE U-2 SPY PLANE

The fact that Eisenhower placed a premium on information provided by a civilian agency, the NSA, to enlighten him on the military-industrial potential of the prospective enemy and at the same time enable him to scrutinise, and where necessary refute, the claims of the American military, pointed the direction in which the CIA's intelligence mission would evolve. To preserve and enhance its position at the cutting edge of the information-gathering offensive against the Soviets, the agency again sought to specialise, just as it did in the sphere of covert action. The opportunity

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<sup>95</sup>Andrew, *For the President's Eyes Only*, pp.196-197.

<sup>96</sup>Stephen Ambrose, *Ike's Spies*, ch.1; Andrew, *For the President's Eyes Only*, pp.216-217.

<sup>97</sup>Thomas Powers, "Truth About the CIA," 49.

<sup>98</sup>Andrew, *For the President's Eyes Only*, pp.219-220.

arrived when Eisenhower ordered the CIA to develop the U-2 spy plane, under the aegis of the Aquatone Project, on 9 December 1954.

Built in greatest secrecy by the CIA and the Lockheed Aircraft Corporation with the assistance of the Polaroid and Hycon photographic companies, the U-2 was essentially a glider fitted with a jet engine and armed with innovative camera technology. It could fly over great distances at such high altitudes that it remained beyond the reach of Russian anti-aircraft facilities and impervious to attacks from Soviet fighters.<sup>99</sup> As with SIGINT, wartime experience had confirmed Eisenhower as an enthusiast of aerial photoreconnaissance, and the president was similarly determined to keep the U-2 programme out of the hands of the military. In this respect Eisenhower was particularly suspicious of permitting the Air Force – which he believed had deliberately orchestrated the "bomber gap" controversy in order to pry funds out of Congress – to assume sole control over the collection and evaluation of the highly sensitive intelligence on the Soviet Union that the spy plane was likely to produce.<sup>100</sup> Thus, despite the attempts of General Curtis LeMay to first kill off the U-2 programme at birth, then having failed in this effort bring the enterprise under the exclusive control of the Strategic Air Command, the Aquatone Project proceeded apace with the CIA and the Air Force proving effective partners.<sup>101</sup>

Agency participation in the U-2 enterprise had essentially four elements. Firstly, the programme was placed under the direction of Richard Bissell who, in establishing a Projects Office in Washington, was charged with streamlining the whole process, maintaining maximum secrecy, and ensuring that it did not become entangled in the bureaucracy of the Defense Department: the latter of which had been a major concern raised by Eisenhower on his authorisation of the venture.<sup>102</sup> Consistent with the role of paymaster that the OPC had frequently played in operations since the late forties and one that was inherited by the DDP, the CIA was, secondly, "the procurement organisation," funding Aquatone through its Contingency Reserve, which was

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<sup>99</sup>James R. Killian, *Sputnik, Scientists, and Eisenhower: A Memoir of the First Special Assistant to the President for Science and Technology* (Cambridge, Mass., 1982), pp.67-84; Eisenhower, *Waging Peace*, pp.544-547.

<sup>100</sup>William E. Burrows, *Deep Black: The Secrets of Space Espionage* (London, 1988), p.73.

<sup>101</sup>Grose, *Gentleman Spy*, pp.405-406.

<sup>102</sup>Bissell, *Reflections of a Cold Warrior*, p.95

appropriated and voted on by Congress.<sup>103</sup> Thirdly, and in compliance with Eisenhower's stipulation that "no U.S. military aircraft [be permitted] to penetrate Soviet airspace," the agency provided civilian cover for the pilots and ground staff recruited from the ranks of the Air Force to carry out the mission. Finally, the CIA supplied the photointerpreters who, under Arthur Lundahl, analysed the material that the U-2s brought back.<sup>104</sup>

The U-2 made its first operational flight in July 1956 and over the next four years spy planes carried out approximately two hundred missions filming the Soviet Union's most secret industrial and military installations. Providing unprecedented amounts of data on Soviet nuclear weapons and ballistic missile test programmes, Aquatone enabled the CIA to assert itself as a pioneer in the field of advanced technological intelligence collection.<sup>105</sup> Indeed, until the shooting down of Francis Gary Powers's spy plane over Soviet airspace in May 1960, the agency was in essence providing the Eisenhower administration with a clandestine alternative to the Open Skies proposals, and thereby directly advancing American foreign policy objectives.<sup>106</sup>

A further dimension of the U-2 project was that it enabled the CIA to work in partnership with the NSA to supply the best intelligence possible on any given issue. For example, U-2s on occasion carried NSA payloads that recorded emissions from Soviet radar, microwave, and ground communications. Again, during the Suez crisis NSA reports of vast increases in diplomatic traffic between Tel Aviv and Paris, combined with U-2 photographic evidence revealing a rapid increase in Anglo-French military activity in the Mediterranean, gave Eisenhower a clear indication of the likely direction of events.<sup>107</sup> The president could thus disregard less verifiable reports, for instance from Angleton, who maintained close contacts with the politically well-connected in Tel Aviv, that Israel, France, and Britain did not intend to take action

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<sup>103</sup>*ibid*, p.99; for conditions governing expenditures from the Contingency Reserve see Memo. for the DCI, 7 Jan. 1959, "Historical background of Functioning of the NSC 5412/2 Special Group and Its Predecessors – with Special reference to Current Proposals of the President's Board of Consultants," box 10, Policy Papers Subseries, NSC Series, AWF, DDEL.

<sup>104</sup>Bissell, *Reflections of a Cold Warrior*, p.97, p.100, quote on p.97.

<sup>105</sup>Eisenhower, *Waging Peace*, p.546; Grose, *Gentleman Spy*, pp.470-471.

<sup>106</sup>Eisenhower, *Waging Peace*, p.483.

<sup>107</sup>Andrew, *For the President's Eyes Only*, pp.221, 331, 335.

against Egypt.<sup>108</sup> Through specialisation, then, the CIA took its place alongside the NSA at the technological frontier of intelligence work. Unlike the FBI, which could only assist the NSA's activities through low level "black jobs," such as penetrating foreign embassies to obtain information on ciphers and plant listening devices, the CIA was able to complement the new agency on an equal footing.<sup>109</sup>

An aspect of the U-2 programme that is frequently overlooked is the point that although Aquatone was ostensibly an intelligence-gathering operation, there was also a psychological warfare dimension to it. The fact that American spy planes could "overfly [the Soviet Union] with impunity and [Moscow] couldn't do a goddamn thing about it" laid bare the technical superiority that the United States enjoyed over its superpower rival. The U-2 thus gave Washington a psychological as well as material advantage in the Cold War and was in itself "a good deterrent."<sup>110</sup>

In this respect there were parallels between Aquatone and Operation Gold. Here the CIA and SIS constructed a 1,476-foot tunnel from West to East Berlin and for nearly a year – from the spring of 1955 to 1956 – tapped into a 350-line phone cable that connected the Russian sector of the city with military bases all over Eastern Europe. The enterprise was compromised by the British double-agent George Blake, and its uncovering by Soviet security forces was initially regarded as a major western setback. There was, however, a more positive element to Operation Gold's exposure, in that it revealed that American ingenuity was being effectively applied in the fight against communism, and thereby served as an enormous morale booster for West Germans in general and West Berliners in particular.<sup>111</sup>

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<sup>108</sup>Grose, *Gentleman Spy*, p.435.

<sup>109</sup>Andrew, *For the President's Eyes Only*, pp.217-218.

<sup>110</sup>Bissell, *Reflections of a Cold Warrior*, p.140.

<sup>111</sup>For an account of Operation Gold see Ranelagh, *The Agency*, pp.288-296. The most recent book to deal with the tunnel is David E. Murphy, Sergei A. Kondrashev, and George Bailey, *Battleground Berlin: CIA vs KGB in the Cold War* (New Haven, Conn.,1997). For a review of this long-range account of the superpower struggle in Berlin written by intelligence operatives who served on both sides see Thomas Powers, "The Bloodless War," *New York Review of Books*, Vol. XLIV, No. 20 (October 1997): 60-64.

**CONCLUSION: THE TREND TOWARDS PREVENTIVE OPERATIONS: CONTINUITY AND CHANGE**

The Eisenhower administration has frequently been characterised as having overused covert action in its efforts to assert American power around the globe, and as having departed from earlier precedents in doing so. While concurring with the logic of the Truman administration that 'friendly' governments should be supported – the Diem regime in South Vietnam providing a case in point – Eisenhower, it is argued, did not share his predecessor's resistance to removing what Allen Dulles described as communist 'stooges' such as Musaddiq and Arbenz.<sup>112</sup>

This is not entirely true. The trend towards a more proactive deployment of clandestine operations, specifically in the third world, can actually be traced back to the final year of the Truman's tenure. In July 1952, the CIA assisted the Egyptian Free Officers in their ouster of King Farouk, whose corrupt and inefficient rule, it was feared, provided potential openings for the communists or Muslim Brotherhood to exploit. Though inept and unpopular, Farouk could in no way be described as a communist, nor was he a democratically-elected leader.<sup>113</sup> Jacobo Arbenz, by contrast,

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<sup>112</sup>Dulles, *Craft of Intelligence*, p.221.

<sup>113</sup> Simpson, *Blowback*, p.248-250; Copeland, *Game Player*, pp.142-157. Nicholas Cullather's CIA in-house history of Operation PBSUCCESS departs from the received wisdom on covert operations, revealing that the agency mounted an operation other than the Iran and Guatemala campaigns during the period of 1952-1953. Whether the venture that Cullather refers to was the Egyptian operation is a matter of conjecture, since he cites it as occurring between the Iranian and Guatemalan operations – code-named TPAJAX and PBSUCCESS respectively – when he first mentions it, but later places it as coming before the Iran coup – see Cullather, *PBSUCCESS*, p.1, p.26. As it was, the CIA continued to play an active role in Egypt after the fall of Farouk. Allen Dulles dispatched \$3million in aid to Nasser in 1953 and Kermit Roosevelt is alleged to have recruited ex-SS intelligence officials to train Egypt's security services, see Copeland, *Game Player*, pp.158-171; Simpson, *Blowback*, pp.250-252; Hersh, *The Old Boys*, pp.331-332. These factors are good enough reasons for the agency to refrain from declassifying details of its involvement in the country. There was, moreover, a certain irony about the whole affair, for having assisted with the coup and opened the way for Nasser to become Prime Minister in 1954, the CIA was tasked by Eisenhower less than three years later with bringing about the gradual destabilisation of the Nasser regime through covert means, in the hope that the Egyptian leader would be deposed at "a time free from [the] heated stress" of the Suez crisis, see Andrew, *For the President's*

had won the approval of his people at the ballot box, but this did not deter Truman from authorising then quickly cancelling plans to precipitate his ouster in the abortive Operation FORTUNE, in September 1952.<sup>114</sup> What the coming of the new Republican administration did do was to bring about an acceleration of this trend, which was signalled by Eisenhower's readiness to act against Musaddiq where his predecessor had favoured restraint, and to mount a more resolute and ultimately successful effort to remove Arbenz.

If the operations in Iran and Guatemala extended the rationale for which covert action was conducted, their success also bred an overzealous reliance on surreptitious methods to solve difficult foreign policy problems, which later embarrassed the United States. Debacles such as the obvious involvement of the CIA in an indigenous rebellion against Achmed Sukarno in Indonesia were symptomatic of an overconfidence on the part of both Eisenhower and Allen Dulles which paved the way for the Bay of Pigs disaster.<sup>115</sup>

Proposals for covert action could of course be scrutinised at the highest level of government before being activated. Bedell Smith had after all created the PSB for this very purpose, and Eisenhower revised the guidance procedure for clandestine operations twice during his presidency. In September 1953 the PSB was replaced by the Operations Coordinating Board (OCB), which in turn was superseded by the Special Group, or as it was better known the 5412 Committee, after the NSC directive that brought it into being.<sup>116</sup> Regardless of the various acronyms that the control procedure allegedly operated under, however, the political will was simply not there on the part of the Eisenhower administration to provide firm policy guidance. Despite Allen Dulles's claim that "no CIA action was carried out without approval from outside of the agency," the DCI's freedom to apply his own discretion was not in any real way

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*Eyes Only*, p.226. An alternative candidate for Cullather's third operation is the three year counterinsurgency campaign mounted by Lansdale in the Philippines which came to fruition in September 1953 with the election of Ramón Magsaysay as the country's president, see chapter 3.

<sup>114</sup>Cullather, *PBSUCCESS*, pp.19-20

<sup>115</sup>Marchetti and Marks, *Cult of Intelligence*, p.114.

<sup>116</sup>Memo. for the DCI, 7 Jan. 1959, "Historical Background of Functioning of the NSC 5412/2 Special Group and Its Predecessors – with Special reference to Current Proposals of the President's Board of Consultants," box 10, NSC Series, Policy Papers Subseries, AWF, DDEL.

hampered by the Executive.<sup>117</sup> The same slackness in scrutinising CIA activity applied on Capitol Hill, where Allen Dulles found "little hesitation on the part of Congress to support and finance our intelligence work in all its secrecy."<sup>118</sup> That congressional review was "more perfunctory than rigorous" was due to the "personal control" that the DCI exercised over the selection of congressmen for service on those committees which dealt with the agency's affairs.<sup>119</sup>

In essence then, favourable attitudes towards the CIA and its use of covert action prevailed across the full spectrum of government in the United States. Allen Dulles's portrayal of the agency as providing the first line of defence against communist expansion was widely perceived to be correct. Thus, when efforts were made to secure firm oversight procedures, notably by Senator Mike Mansfield, they were frustrated by both the executive and in Congress. For instance, in 1955 Congress established a small task force under General Mark Clark to report on intelligence activities following Mansfield's introduction of a resolution for joint oversight. Determined to assert executive control of the CIA, Eisenhower responded by appointing a committee under General James Doolittle to prepare a classified report on the workings of the DDP. The Clark group then agreed not to duplicate the work of the Doolittle Committee, which meant that CIA clandestine activities were kept away from the gaze of a Congress, which for the most part adhered to Saltonstall's "need to know" principle anyway.<sup>120</sup>

The proliferation of CIA covert action projects during the 1950s was also attributable to capricious administrative procedures in the agency as a whole and especially within the DDP. Allen Dulles earned renown as a sympathetic manager of the CIA. Unlike his brother or his predecessor, for instance, Allen Dulles stood firm against McCarthy, warning of severe repercussions against any CIA employee who cooperated with the senator in his efforts to investigate the agency. Dulles was not, however, an advocate of strong internal management. On the contrary, he and Wisner viewed the imposition of strict lines of authority as being counterproductive to the functional dynamics of conducting covert action. Combined with this was the fact that overall control of the

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<sup>117</sup>Dulles, *Craft of Intelligence*, p.185; Johnson, *America's Secret Power*, p.236.

<sup>118</sup>Dulles, *Craft of Intelligence*, p.191.

<sup>119</sup>Quote from Karalekas, *History of the CIA*, p.52; Marchetti and Marks, *Cult of Intelligence*, p.345.

<sup>120</sup>Karalekas, *History of the CIA*, pp.52-54.

DDP was in any event difficult, because its highly compartmentalised structure restricted information to small groups, many of which were consequently able to define their own operational parameters. Thus the capacity, not only for Dulles and Wisner but also lesser officials, to initiate projects independently was considerable. In addition, the DDP was to all intents and purposes exempted from the attentions of the Office of the Inspector General, which had been established in 1951 as an intra-agency monitoring body. As a result, covert action projects multiplied throughout Dulles's period as DCI.<sup>121</sup>

The fact that elements within the DDP engaged in autonomous clandestine activities does not, however, alter the point that throughout his presidency, Eisenhower placed heavy reliance on, and displayed considerable enthusiasm towards, covert operations. Evidence of this emerges from his management of the coups d'état through which the United States removed the governments of Iran and Guatemala in 1953 and 1954 respectively, and the botched attempt to ouster the ruling regime in Indonesia in 1958.

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<sup>121</sup> *ibid*, pp.46-47.

## CHAPTER SIX

### A TALE OF THREE CAMPAIGNS: LANDMARKS IN THE HEYDAY OF COVERT ACTION

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As was explained in the preceding chapter, Eisenhower's period as president signalled the high-water mark for the deployment of clandestine operations by the United States, and the three campaigns featured in this chapter stand out both as prominent events in themselves and signposts in the evolution of covert action during this era. While the coming of the new administration saw little change in the modus operandi of the CIA and its sister agencies in Western Europe, Eisenhower took a more aggressive approach in his application of covert action in the third world. Here, his propensity for the deployment of preventive operations quickly asserted itself, and the first venture of this nature to be authorised during his tenure was Operation TPAJAX, the CIA-engineered coup that resulted in the removal of the Iranian Prime Minister, Muhammad Musaddiq from power in August 1953.

The Iran coup signalled a significant departure and set an important precedent, and is thus the first case study to be included in this chapter.<sup>1</sup> Offensive and preventive covert action had, of course, been sanctioned to depose governing regimes before, in the shape of the unsuccessful Operation BGFIEND in Albania and the Egyptian enterprise, but Musaddiq was, unlike Hoxha or Farouk, a democratically elected leader. What must, nevertheless, be stressed is that TPAJAX was designed to serve long-term American policy. The replacement of Musaddiq with a less nationalistic, more western-friendly Iranian leader who, at least in American perceptions, was less vulnerable to a communist takeover, was seen by Eisenhower as essential if the United States was to: (1) safeguard supplies of Persian oil to the West; (2) secure Iran as a country of vital strategic importance both for containing communism and as a base for C-2 probing missions into the Soviet Union itself; and (3) advance American plans to

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The most significant primary source on the Iran coup is Roosevelt, *Countercoup*, an illuminating if at times self-serving account written by the CIA officer who oversaw Musaddiq's downfall. Christopher Bodhouse, *Something Ventured* (London, 1982), pp.108-135 gives a first-hand appraisal from the British standpoint, while good secondary accounts feature in Prados, *Presidents' Secret Wars*, pp.91-102; Grose, *Gentleman Spy*, pp.363-368; Ranelagh, *The Agency*, pp.260-264; Hersh, *The Old Boys*, pp.332-335; and Ambrose, *Ike's Spies*, pp.188-234. By far the best analysis of Musaddiq's ouster, however, is Gasiorowski, "Coup D'État in Iran."

reshape Iran into a modern westernised state and a bastion of democracy in the Middle East.

Initiating a coup d'état was far from the most enlightened way to serve these objectives, in that replacing Musaddiq with a dictator, however temporary the arrangement was originally planned to be, was hardly the best way to foster democracy. Moreover, Eisenhower took little if any account of the negative long-term effects on American-Iranian relations that the coup would have. There was, as well, the point that the policy itself was fatally flawed. Modernisation on a western model did not rest easily with the traditional cultural, social, and religious structures in Iran. This, combined with the absence of democracy after 1953, served only to widen the gap between the political elite centred around the shah, and the masses of the country, who remained impoverished and turned ultimately, not to the communists but to the religious right for succour. Nevertheless, misguided as they were, successive American administrations did have long-term policy objectives in Iran and the sanctioning of the 1953 coup was at the time seen as assisting these aims.

In the case of the Guatemala coup, code-named PBSUCCESS and the central covert action programme to be examined here, Eisenhower's primary objective was to remove an overtly leftist government which implemented policies that, in American calculations, opened the way for the establishment of "a Soviet beachhead in the Western Hemisphere."<sup>2</sup> Deeper research into the ouster of Guatemalan President, Jacobo Arbenz Guzmán in June 1954, however, suggests that this was driven by more multifarious motives than at first seems apparent. Put briefly, PBSUCCESS served as a ready expedient. It drew attention away from the French withdrawal from Indochina

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Quote from David Attlee Phillips, *The Night Watch: Twenty-five Years of Peculiar Service* (New York, 1977), p.51. As a crucial development in the CIA's history, PBSUCCESS is examined at length in all of the major studies of the agency. Of the works that deal solely with the Guatemala coup, Piero Gleijeses, *Shattered Hope: The Guatemalan Revolution and the United States, 1944-1954* (Princeton, 1991), Richard H. Immerman, *The CIA in Guatemala: The Foreign Policy of Intervention* (Austin, 1982), and Stephen Schlesinger and Stephen Kinzer, *Bitter Fruit: The Untold Story of the American Coup in Guatemala* (New York, 1982) are all essential reading. The CIA's own histories of Arbenz's ouster – Cullather, *PBSUCCESS*, and Gerald K. Haines, *CIA and Guatemala Assassination Proposals 1952-1954*, which are available for consultation at DDEL and NA – were declassified in 1997 and are indispensable to the comprehensive study of the coup.

while simultaneously acting as a catalyst for Foster Dulles's achievement of anticommunist hemispheric solidarity in the Americas. Arbenz's downfall, furthermore, illustrated to informed opinion in the United States that Eisenhower was able to pursue a hard line against what was represented as international communism without resorting to war. This in turn assisted the president in his plan to neutralise Senator McCarthy's influence on the GOP and so improve the party's prospects in the congressional elections set for the following November.

A similar mindset governed the decisions to sanction TPAJAX and PBSUCCESS. Richard Immerman's argument that Arbenz's downfall resulted from the Cold War ethos, which exaggerated the Eisenhower administration's perception of communist infiltration in Guatemala, could just as easily be applied to the ouster of Musaddiq in Iran during the previous year.<sup>3</sup> Not only this, but the fact that TPAJAX succeeded had a huge impact on the administration's decision to sanction PBSUCCESS.

The Guatemala coup said much about Eisenhower's style of leadership, in the sense that he blurred the distinction between policy and strategy during the campaign and in the process acted more in the manner of a general than a president, in order to achieve a number of widely dispersed but intricately connected short-term goals. The irony was that in acting to neutralise communism where its influence was limited, if only because of Guatemala's close proximity to the United States, the Eisenhower administration inadvertently helped to create the conditions that would enable the Soviet Union to extend its influence to Cuba and subsequently the Americas by the dawn of the next decade.

PBSUCCESS was additionally significant for the nature of its execution. Unlike the covert action programmes in Western Europe or indeed Iran, there were no existing intelligence networks at work in Guatemala immediately prior to the preparations for the coup. Those contacts that the agency had put in place were wiped out in a botched mutiny against Arbenz in March 1953.<sup>4</sup> The CIA thus created something from nothing by establishing an entirely new covert action infrastructure, and despite having to muster the necessary resources very hastily the agency scored, what was interpreted at the time as, an unqualified success. This heightened the administration's future

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Immerman, *The CIA in Guatemala*.  
Klanaghan, *The Agency*, p.265; Gleijeses, *Shattered Hope*, pp.208-216.

preparedness to utilise covert action as a golden bullet to resolve pressing foreign policy issues elsewhere. The Guatemala campaign was the model for the failed attempt to depose the Indonesian premier Achmed Sukarno in 1958, the final case study to be featured here, and the more public Bay of Pigs fiasco in 1961. Both of these operations were embarrassing debacles for the United States. However, they sprang from an overconfidence and lack of foresight that can be traced back to June 1953, when Eisenhower first signalled his intent to implement the recommendations outlined in Operation Solarium, for the use of covert action to reduce Soviet influence throughout the world, and deployed Operation TPAJAX to depose Musaddiq.<sup>5</sup>

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#### IRAN 1953: A COVERT ACTION PRECEDENT.

Long-range planning for the advancement of United States interests in Iran began in 1945 with the expansion of two wartime American military missions into peacetime. An economic development plan devised at the request of the Iranian Shah, Muhammad Reza Shah Pahlavi by Overseas Consultants Incorporated (OCI), a private consortium with close links to government circles in Washington, followed. Approved by the Majlis (the Iranian parliament) in February 1949, OCI's Seven Year Plan was an ambitious \$656 million project. It was to be executed under "close foreign (meaning American) supervision," and it provided for the Iranian government "to divert all oil revenues to the program." A loan equalling \$140 million from the Royal Bank of Iran was also authorised under the provisions of the plan, and its executors were empowered to negotiate an additional loan ranging up to \$250 million from the International Bank of Reconstruction and Development (IBRD).<sup>6</sup>

The overarching objective of this and subsequent American initiatives introduced during this period, such as the Truman administration's implementation of a Point Four

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Blanche Cook, *The Declassified Eisenhower: A Divided Legacy* (Garden City, New York, 1981), p.181-183.

Central Intelligence Agency, ORE 65-49, "The Current Situation in Iran," May 1949, pp.6-8, NSC-RE folder (2of 5), box 219, CIA Files, Records of the NSC, Truman Papers, HSTL; Allen Dulles, who was then with Sullivan and Cromwell, acted as the OCI's legal advisor, see Grose, *Gentleman Spy*, 295.

programme, was directed at providing the necessary aid and expertise to help in the transformation of a hitherto backward Iran into a modern, industrialised, economically vibrant, and socially cohesive democracy.<sup>7</sup> It was believed that such conditions would: (1) ensure permanent Persian alignment with the West; (2) secure greater American access to a country that produced 675,000 barrels of oil per day and had, since the turn of the century, been the exclusive preserve of the British Empire; and (3) impede Soviet influence and designs in the region. A democratic Iran reshaped in an American image was, moreover, viewed as providing a force for stability and progress in the Middle East generally, as well as fulfilling the crucial imperative of protecting the flow of oil from Iran to Western Europe.<sup>8</sup> The problem for the United States was that many of the key political and economic actors in Iran were, as result of a dispute over control of the country's oil reserves, undermining Washington's modernisation plans.<sup>9</sup>

The questions of who should control Iran's oil reserves and where political power in the country should be concentrated had long been at issue. Growing nationalist discontent which focused its attention on ending the monopoly that the Anglo-Iranian Oil Company (AIOC) – and by association the British government, which owned fifty per cent of the company's stock – had maintained over Persia's oil since the early 1900s, took root during the late 1940s.<sup>10</sup> Two events occurred in 1949 that proved instrumental in heightening this sense of national identity and political awareness. Firstly, the AIOC negotiated a new oil agreement that, in common with all of the previous deals struck by the company in Iran, proved extremely favourable to British interests and revealed an insensitivity to the aspirations of the Iranian people. Equally

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CIA, ORE 65-49, "The Current Situation in Iran," HSTL.

*ibid*; the figure of 675,000 barrels was cited by Eisenhower in a letter to Edward E. Hazlett, 21 July 1951, Galambos and Van EE (eds.), *Eisenhower Papers: NATO and the 1952 Campaign*, Vol. XII, 370; Ranelagh, *The Agency*, pp.260-262; Study Prepared by the Staff of the NSC, "The Position of the U.S. With Respect to Iran," undated, *FRUS 1952-54*, Vol. 10: 11-20.

The Export-Import bank loans on which the Seven Year Plan was envisaged as partly depending were suspended in March 1951 as a result of political instability in Iran, see Memo. by the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Berry) to the Secretary of State, 14 Mar. 1951, *FRUS 1952-54*, Vol. 10: 9.

<sup>9</sup>James A. Bill, *The Eagle and the Lion: The Tragedy of American-Iranian Relations* (New Haven and London, 1988), pp.61-66.

significant was an attempt by the shah, who was widely regarded as London's puppet, to rig elections to the Majlis.<sup>11</sup> In response, the various nationalist groupings and political parties active in Iran established a broadly-based coalition under the aegis of the National Front and the leadership of Musaddiq in October 1949.

Three interrelated objectives dominated National Front thinking: (1) the transfer of power from the royal court to the Majlis; (2) the nationalisation of Iran's oil industry; and (3) the diminution of British power in Iran generally. Throughout 1950 the nationalist coalition campaigned with increasing effect both within and outside of the Majlis for the achievement of these aims. Consequently, in late April 1951 the shah acceded to public pressure and appointed Musaddiq as prime minister. A nationalisation bill was subsequently passed into law on 1 May 1951 aimed at expropriating the AIOC's assets, and the United Kingdom responded by closing down the Abadan refinery and initiating a world-wide boycott of Iranian oil effective from July 1951. A crisis that was to continue for two years thereby began.<sup>12</sup>

In response to these developments, the United States pursued a very delicately balanced policy towards Iran. On the one hand, the Truman administration recognised that Musaddiq's desire to gain greater if not complete control over his country's resources was legitimate. Retention of the AIOC's monopoly was, from the American standpoint, seen as unjust. Not only that, but in the estimation of some in the State Department the intransigence of the AIOC's whole approach had been counterproductive. The company had, in short, forced nationalisation on itself while simultaneously intensifying a hatred of all things British that had become universally felt in Persia by mid-1951. On the other hand, Truman had no wish to undermine America's principal ally and was greatly concerned about the possible ramifications that Musaddiq's nationalisation bill would have on a global oil industry that was dominated by American multinationals.<sup>13</sup>

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<sup>1</sup>J.H. Bamberg, *The History of the British Petroleum Company, Volume 2: The Anglo-Iranian Years, 1928-1954* (Cambridge, 1994), pp.398-405.

<sup>2</sup>Bill, *The Eagle and the Lion*, pp.63-66; Gasiorowski, "Coup D'État in Iran," 261-265.

<sup>3</sup>"Analysis of Iranian Political Situation," 12 Oct. 1951, folder 12, box 18, Foreign Affairs Files, Subjects Files, PSF, Truman Papers, HSTL; Boyle (ed.), *Churchill-Eisenhower Correspondence*, p.52; James F. Goode, *The United States and Iran: In the Shadow of Musaddiq* (London, 1997); Bill, *The Eagle and the Lion*, pp.73-97.

Mindful of these considerations, the United States sought to play the role of conciliator. The basic approach was aimed at convincing Musaddiq to compromise and accept an agreement which approximated to the fifty-fifty profit sharing arrangement that American oil companies had struck with Saudi Arabia.<sup>14</sup> At the same time, determined efforts were made to placate the British and where necessary deter any designs at direct intervention emanating from this quarter. Such was the case in September 1951 when Truman persuaded Attlee to postpone a planned invasion of Iran, stating in no uncertain terms that such an undertaking would not meet with American approval.<sup>15</sup>

Truman's willingness to adopt such a tough line reflected a determination on the president's part to prevent the Anglo-Iranian dispute from triggering off a wider conflict at a time when international tensions were already high as a result of the Korean War. The United States feared that British military intervention in Iran would present the Soviet Union with a pretext to occupy Iranian Azerbaijan and support a seizure of power by the Tudeh (Masses) – the Iranian Communist party.<sup>16</sup> Musaddiq consistently raised the spectre of a Tudeh takeover as part of his bargaining strategy when negotiating with the United States. In brief, the Iranian leader argued that the various loans and aid packages that his country received from the American government were not enough in light of the boycott of Iranian oil. Greater economic support was essential, Musaddiq maintained, to secure Iran in the western camp.<sup>17</sup> The

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<sup>14</sup>The Special Assistant to the President (Harriman) to the Department of State, 24 July 1951, *ibid*: 109-113.

<sup>15</sup>Gasiorowski, "Coup D'État in Iran," 264; Acheson, *Present at the Creation*, p.506.

<sup>16</sup>The Secretary of State to the Embassy in Iran, 26 September 1951, *FRUS 1952-54*, Vol.10: 167-169; Article VI of the 1921 Irano-Soviet Treaty in fact permitted Russian military intervention in Iran if the country was being used by a third party to attack the USSR, see CIA, ORE 65-49, "The Current Situation in Iran," HSTL.

<sup>17</sup>Memo of a Conversation by Colonel Vernon Walters, 9 November 1951, *FRUS 1952-54*: 269-272; A Special Estimate, "The Prospects for the Survival of the Mossadeq Regime in Iran," 14 Oct. 1952, Meetings folder (2 of 2), box 219, NSC Files, PSF, Truman Papers, HSTL; Eisenhower, *Mandate for Change*, p.161.

standard American response was to argue that Congress could vote no aid while Tehran refused to agree to a reasonable settlement to the oil dispute.<sup>18</sup>

The revision of United States policy towards Iran took place as the consequence of a sequence of events that began in December 1952, when Acheson, recognising that the British embargo was causing both taxes and unemployment to rise sharply in Iran, which in turn was leading to growing discontent for the Tudeh to exploit, made a final attempt to settle the crisis. Working from the assumption that resolution of the dispute hinged on Musaddiq agreeing a payment for AIOC's nationalised assets that was acceptable to London, the Secretary of State sought to persuade both sides to submit their differences to the International Court of Justice. This initiative proved acceptable to the British, who agreed to lift the blockade on Iranian oil exports while the court deliberated. For Musaddiq, however, the Acheson proposals and the generous aid package that Washington offered with it as an incentive to secure Iranian acquiescence, proved unacceptable.<sup>19</sup> In effect, then, the United States had exhausted the possibilities for reaching a negotiated settlement by January 1953. None of the treatments that deal specifically with the Iran coup acknowledge this point, but it is nevertheless important because it narrowed the avenues left open to the United States and thus increased the prospect of a covert operation being launched regardless of who succeeded Truman as president.

For his part, Eisenhower had become well-versed in the nuances of the Iranian oil crisis while Supreme Allied Commander in Europe, and he received official briefings on how the dispute was developing during the 1952 election campaign and while president-elect.<sup>20</sup> On taking over the reins in the White House, moreover, he placed even more emphasis on combating what he regarded as global communism than his predecessor had done. Thus, when Musaddiq wrote to Eisenhower outlining the dangers of the Tudeh being presented with an opportunity to take control if the crisis

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<sup>18</sup> Brands, *Inside the Cold War*, p.279.

<sup>19</sup> Acheson, *Present at the Creation*, pp.683-685.

<sup>20</sup> Eisenhower to Edward E. Hazlett, Jr., 21 June 1951, in Galambos and Van EE (eds.), *Eisenhower Papers: NATO and the 1952 Campaign*, p.368; John L. Helgerson, *Getting to Know the President: CIA Briefings of Presidential Candidates, 1952-1992* (Washington D.C., 1996), pp.32-34; Untitled and undated memo., Eisenhower Presidential Transition, folder 2, box 118, General File, PSF, Truman Papers, HSTL.

with the AIOC continued and increased American aid was not forthcoming, the Iranian leader paved the way to his own ouster.<sup>21</sup>

Equally significant in sowing the seeds of Musaddiq's political demise was the revision of broader American policy brought about by Nasser's rejection of Foster Dulles's plan for an Egyptian-centred Middle East defence organisation. Still committed to regional collective security, the Secretary of State moved to establish an alliance system along the northern tier, incorporating Iraq, Pakistan, and Turkey (see appendix 8).<sup>22</sup> The inclusion of a strong and stable Iran was pivotal to Dulles's projections but this was not achievable whilst Musaddiq remained in power and the oil dispute continued. The implication was therefore that Iran would have to be 'saved' from itself, if only for the sake of western strategic interests in the Middle East.<sup>23</sup>

The fact that Eisenhower was anticipated as favouring intervention where his predecessor had opted for restraint is evident from the advice proffered by DDP operations chieftain for the Middle East, Kermit Roosevelt, to SIS officials late in 1952. British intelligence should wait, Roosevelt suggested, until the new Republican administration was installed before proposing the launch of an Anglo-American covert operation to remove Musaddiq from power.<sup>24</sup> These altered governmental perceptions became clear in March 1953 when Foster Dulles made a connection between Musaddiq's retention of power and "the rapid deterioration" of Iran's relations with the West. Later in the same month the United States Ambassador to Iran, Loy Henderson, gave an indication of American intent when he stated that the risks involved in replacing the Iranian premier with General Fazlullah Zahedi "would not be too great." Zahedi was a one-time Nazi sympathiser whose willingness to bend to America's will made him the State Department's preferred candidate to replace Musaddiq.<sup>25</sup>

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<sup>21</sup>Eisenhower, *Mandate for Change*, pp.161-163.

<sup>22</sup>Brands, *Inside the Cold War*, pp.276-277.

<sup>23</sup>NSC Minutes, 1 June 1953, folder 3, box 8, NSC Meetings and Minutes Series, AWF, DDEL.

<sup>24</sup>Woodhouse, *Something Ventured*, pp.117-119; Roosevelt, *Countercoup*, p.6.

<sup>25</sup>Dulles to Embassy in Iran, 2 March 1953, *FRUS 1952-54* Vol.10: 691; *ibid*: 721; Washington insisted that London should have no veto over the selection of Zahedi, despite his wartime affiliations and the widespread belief that he was anti-British, see Roosevelt, *Countercoup*, pp.122-124.

What must, however, be taken into account is that Eisenhower enjoyed greater freedom of action than had been available to Truman as far as intervention in Iran was concerned. The new Republican administration was, to begin with, fortunate that, in the aftermath of Stalin's death, the Politburo was engaged in a damaging internal power struggle, while simultaneously pursuing a conciliatory approach towards superpower relations.<sup>26</sup> Eisenhower was therefore afforded a more favourable political environment in which to work than had hitherto been in place.

Not only this, but at the time that the Iran coup was sanctioned Moscow's control over its own bloc was being severely tested after a general strike was called in East Berlin and food riots broke out in the city. Continuing for over a month, the disturbances spread across the whole of East Germany, and were regarded by Eisenhower as holding out the possibility of triggering more extensive dissent behind the Iron Curtain.<sup>27</sup> The Kremlin was, consequently, otherwise engaged while TPAJAX was in progress. Leaving the Berlin riots aside, however, the coup against Musaddiq was planned and executed at a time when international tensions were markedly reduced as a result of the signing of the Korean armistice in July 1953. Thus, the risk factor associated with intervening in Iran was also less pronounced. Of additional significance is the point that Eisenhower was as willing and, given the more favourable international climate, more able to assist the American oil industry than Truman had been.

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United States policy in Iran and the Middle East generally was dictated by a complex combination of mutually reinforcing geopolitical, strategic, and economic considerations. American petroleum companies could clearly be seen to be serving their country's foreign policy objectives from 1948, when Standard of California, Exxon (Esso), Texaco, and Mobil formed the Arabian American Oil Company (Aramco) in order to exploit Saudi Arabia's as yet untapped oil reserves. Aramco gave

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<sup>26</sup>Memorandum of discussion at the 135th meeting of the NSC, 4 March 1953, *FRUS 1952-54* Vol.10: 692-701; Eisenhower, *Mandate for Change*, pp.148-149; *FRUS 1952-54*, Vol.8: 1130, note 2.

<sup>27</sup>For State Department correspondence on the East German riots see *FRUS 1952-54*, Vol.7, part 2: 584-1645; Eisenhower to Adenauer, 25 June 1953, Galambos and Van EE (eds.), *Eisenhower Papers: The Presidency*, Vol. XIV, pp.325-326; Eisenhower to Adenauer, 23 July 1953, *ibid*, pp.410-413.

the United States a foothold in a region that had previously been dominated by European powers, and more importantly, Saudi Arabian oil production, while providing Aramco with enormous profits, also helped fuel the ERP and provide energy supplies for NATO.

In 1950 cooperation between government and private enterprise was taken a stage further when the Truman administration permitted the Aramco companies to share their profits with the Saudi Arabian government on a fifty-fifty basis, then deduct the payment to Ibn Saud as a business expense when calculating their American income taxes. This enabled the State Department to follow two quite separate and ostensibly conflicting policy objectives in the Middle East that simply could not have been pursued through normal diplomatic channels. Overt American support could be given to Israel while Saudi Arabia was provided with a subsidy that bound it more closely to the United States.<sup>28</sup> However, Aramco's fifty-fifty deal with Saudi Arabia, and similar arrangements negotiated by American companies with Kuwait in December 1951 and Iraq in February 1952, stood as blueprints for what Iranian nationalists could reasonably expect to gain from the AIOC, and thus accentuated the Anglo-Persian dispute.<sup>29</sup> This was in fact entirely in keeping with long-term United States ambitions in Iran.

American designs on breaking the British monopoly over Iranian oil were apparent from as early as 1943, when Byrnes argued that the United States should press for a one third share of Persia's oil reserves as compensation for American contributions to the war effort. Though Roosevelt vetoed this proposal, American ambitions in relation to Iran continued into the postwar period.<sup>30</sup> The British-initiated international boycott of Iranian oil, of course, had the full backing of the American oil companies. It was not, after all, in the interests of any multinational to allow Musaddiq to succeed in unilaterally expropriating AIOC's assets and thereby set an example to other third world leaders who might wish to follow suit. Moreover, the closure of Abadan presented an opportunity for American petroleum firms to increase production in Saudi

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<sup>28</sup>Divine, *Eisenhower and the Cold War*, pp.72-74; Anthony Sampson, *The Seven Sisters: The Great Oil Companies and the World They Made* (London, 1975), pp.110-112; Daniel Yergin, *The Prize: The Epic Quest for Oil, Money, and Power* (New York, 1991), pp.445-449.

<sup>29</sup>Bamberg, *History of BP, Vol. 2*, p.339, p.344.

<sup>30</sup>Bill, *The Eagle and the Lion*, p.80.

Arabia, Iraq, and Kuwait to cover the shortfall.<sup>31</sup> This does not, however, alter the fact that American companies sought a share of the lucrative Iranian industry. Indeed, Truman's Assistant Secretary of State George McGhee was forced to go to considerable lengths during 1951 and 1952 to prevent American oil companies from exploiting AIOC's difficulties.<sup>32</sup>

Eisenhower was even more concerned than Truman had been that the activities of the American petroleum multinationals should reinforce foreign policy. Referring to the oil industry in August 1953, the president stressed to his Attorney General, for example, that the enforcement of antitrust legislation introduced by Truman "may be deemed secondary to the national security interest."<sup>33</sup> Eisenhower understood well that Iranian nationalism was providing a lever through which to prise open AIOC's hold on Persian oil reserves, as was implicit in a letter sent by the president to Prime Minister Churchill in early May 1953.<sup>34</sup> In return for removing Musaddiq, the United States therefore exacted a cost. American oil companies were to be given 40 percent of the Iranian oil industry, with AIOC retaining only 40 percent of its former monopoly, and a further 14 percent being allocated to Royal Dutch Shell and 6 percent to Compagnie Française de Pétroles. The United States government, in short, rewarded the American multinationals for their restraint over the past two years.<sup>35</sup>

The multinational in turn rewarded Kermit (Kim) Roosevelt, not only for executing the coup successfully, but also for conducting a three year campaign of economic warfare in the Middle East, which was launched after Overseas Consultants became increasingly concerned that the crisis in Iran was nullifying the Seven Year Plan, and turned to the OPC to break the deadlock. In the execution of this programme,

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*ibid*, p.81

Yergin, *The Prize*, pp.450-479; The Ambassador in the U.K. (Clifford) to Department of State, 20 October 1952, *FRUS 1952-54* Vol.10: 500; Bill, *The Eagle and the Lion*, p.78; Memo. of Discussion, 2nd. Meeting of the NSC, 18 Feb. 1953, box 4, Administration Subseries, NSC Series, White House Office Files (hereafter cited as WHO), DDEL.

Eisenhower quoted in Sampson, *Seven Sisters*, p.129.

Eisenhower to Churchill, 8 May 1953, in Boyle, *Churchill-Eisenhower Correspondence*, p.53.

Bamberg, *History of BP*, Vol.2, pp.495-511; Ranelagh, *The Agency*, p.262; Once the oil dispute was settled Iranian oil production rocketed, increasing by 387 percent between 1957 and 1970, see Yergin, *The Prize*, p.534.

Roosevelt played a central role in negotiating the fifty-fifty deal with the Saudis which proved such a key factor in undermining the British position in Iran and triggering off the string of events that led to the autorisation of Ajax.<sup>36</sup> For his efforts Roosevelt was named vice president of the Gulf Oil Corporation in 1960.<sup>37</sup>

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Roosevelt, of course, wrote his own account of the coup, and if only for the reason that he commanded Operation TPAJAX it remains a valuable source. However, *Countercoup* raises as many doubts as it answers questions. Even the central contention of the book, that TPAJAX was sanctioned in order to prevent the very real threat of a takeover by the Russian-backed Tudeh party, which Roosevelt presents as being in alliance with Musaddiq, fails to convince.<sup>38</sup>

To begin with, the Kremlin was far from unequivocal in its support the Tudeh, essentially because the doctrinaire approach adopted by the Iranian organisation was out of step with Soviet designs in Persia. Recognising that nationalism was a far more potent force than Marxism in Iran, Moscow wanted the Tudeh to portray itself as an indigenous force, ally itself closely with the National Front, and thereby become a Trojan horse for the advancement of communism in the country when conditions were ripe. This is perhaps why the Soviets refused to permit the Tudeh to call itself the Communist Party of Iran.<sup>39</sup> After suffering an abrupt loss of support as a result of the Azerbaijan crisis of 1945 and 1946, the Tudeh did in fact enjoy a resurgence in 1950 by stressing its *nationalist* credentials, and exploiting widespread anger against the AIOC and a general British insensitivity to Iranian sovereignty.<sup>40</sup> This was never a fully credible approach, however, given the fact that the party was still widely

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<sup>36</sup>Pisani, *CIA and the Marshall Plan*, pp.122-123; John Sherman notes on OPC involvement in Iran, OPC folder, box 13, Records of the PSB, HSTL.

<sup>37</sup>Wise and Ross, *Invisible Government*, p.108.

<sup>38</sup>Roosevelt, *Countercoup*, p.2, p.134; the CIA's in-house history of the Guatemala coup is even more inaccurate than Roosevelt in its presentation of conditions in Iran, making the incredible claim that TPAJAX "shattered Mossadeq's Tudeh Party," see Cullather, *PBSUCCESS*, p.25.

<sup>39</sup>Farhad Diba, *Mossadegh: A Political Biography* (Beckenham, Kent, 1986), pp.99-100.

<sup>40</sup>Kuniholm, *Origins of the Cold War in the Near East*, pp.383-399; *FRUS 1950* Vol.5: 491-499.

regarded as being closely associated with the Soviet Union, which to many Iranians was merely another imperialist power.<sup>41</sup>

Though the Tudeh operated with a modicum of freedom, moreover, it was declared illegal in 1949 and was suppressed vigorously whenever its activities were deemed to be threatening to political stability in Iran. Musaddiq's ruthless clampdown on communist demonstrations in July 1951, which resulted in one hundred deaths and numerous injuries, for example, was a far cry from Eisenhower's stereotypical picture of the Iranian premier as a tearful "semi-invalid clad in pyjamas."<sup>42</sup> The pursuit of such an uncompromising approach also calls into question the claim that Musaddiq "was overthrown because he was not prepared to risk bloodshed,"<sup>43</sup> and is clear proof that the Iranian leader's relationship with the communists was tenuous at best. Even Foster Dulles acknowledged that the Tudeh was duplicitous in its attitude towards Musaddiq, providing him with support when it served communist ends, while secretly referring to him as "a vile servant of the Shah."<sup>44</sup>

No tangible evidence has yet materialised to support the claim that either Roosevelt or any other American official possessed proof that the Soviet Union wished to see a communist takeover in Iran. However, the fact that the Russians withdrew from Iran under American pressure in 1946, when coupled with the Soviet leadership's efforts to build bridges with the West at the time of the coup itself, suggests that Moscow was as keen to see a Tudeh takeover in Iran as it had been to see the PCI prevail in the Italian elections of 1948, or to support the KKE in the final stages of the Greek Civil War. In short, a local communist victory carried potentially damaging ramifications for superpower relations, and in Russian calculations this was too high a cost for the Soviet Union to contemplate.

In fact, the true nature of Musaddiq's flirtation with the Tudeh only comes to light when the internal dynamics of Iranian politics are taken into account. Musaddiq's National Front coalition was an extremely fractious organisation which incorporated

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<sup>41</sup>Mohamed Heikal, *Iran: The Untold Story* (New York, 1992), p.57.

<sup>42</sup>*FRUS 1949* Vol.6: 479, note 1; Blum, *CIA: A Forgotten History*, pp.61-62; Eisenhower, *Mandate for Change*, p.159.

<sup>43</sup>Bill, *The Eagle and the Lion*, p.56.

<sup>44</sup>135th Meeting of NSC, 4 March 1953, *FRUS 1952-54* Vol.10: 693.

groups ranging from the Society of Muslim Warriors, which was led by Ayatollah Abdul Qassim Kashani and comprised bazaar merchants and clerics, to the largely secular Iran party, which was dominated by liberal politicians and intellectuals. Sustaining unity of purpose amongst such conflicting interests was, to say the least, difficult. Kashani, who distrusted Musaddiq because of his close association with the liberal nationalists, ultimately broke away from the National Front, and from 1952 began cooperating quietly with the shah, the large landowners, and the rightist military. Under these circumstances Musaddiq reluctantly forged a very tentative arrangement with the communists based on a mutual interest in survival. He nevertheless became ever more reliant on this relationship as pressure from his indigenous opponents, the British, and later the United States intensified.<sup>45</sup>

The Eisenhower administration gauged that there was little danger of the Tudeh seizing control so long as Musaddiq remained in place. American policymakers were, however, concerned that should the Iranian leader be killed or deposed the ensuing power vacuum might create the necessary conditions for a communist takeover.<sup>46</sup> Eisenhower had campaigned for president on a resolutely anticommunist platform and had proved his political mettle by ending the Korean War, but he could not afford to risk even a slight chance of communism taking hold in a country of such strategic importance as Iran. Official blessing for the removal of Musaddiq was therefore granted on 25 June 1953.<sup>47</sup>

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Mark Gasiorowski has produced strong evidence to support the case that the CIA was engaged in a wide range of clandestine activities in Iran under the code-name of BEDAMN long before Roosevelt was authorised to launch TPAJAX. Beginning in 1948, the earlier enterprise found the agency working in conjunction with two Iranian brothers code-named Nerren and Cilley. It was a two-pronged propaganda and political action programme that found the CIA planting articles in the Iranian press, publishing anticommunist books and pamphlets, and rumour mongering, all of which was aimed of manipulating the political process in the host country.

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<sup>45</sup>Bill, *The Eagle and the Lion*, pp.67-72.

<sup>46</sup>135th Meeting of NSC, 4 March 1953, *FRUS 1952-54* Vol.10: 693-694.

<sup>47</sup>Roosevelt, *Countercoup*, p.1.

In terms of political action, the agency placed most emphasis on undermining the Iranian communists by, for instance, organising attacks on mosques and against public figures in the Tudeh's name. The BEDAMN project also sought to curtail the religious right, however, and with this objective in mind a mullah named Mohammed Taqi Falsaf was allegedly paid to establish a clerical alternative to Kashani. Though the Truman administration precluded the CIA from targeting the National Front, Gasiorowski contends that the agency contravened official American policy and sponsored moves to weaken Musaddiq's base of support. Again, financial incentives were offered, in this case to buy influence among the leaders of the Toilers and Pan-Iranist parties, both of which were integral parts of the governing coalition.<sup>48</sup>

There were additional elements to the OPC/DDP's involvement in Iran prior to TPAJAX. In line with American war plans, the agency drew up contingencies for the creation of stay-behind units recruited from the Qashqua'i tribe in preparation for a possible Soviet invasion, and Gasiorowski in fact alludes to this, although he does not mention the economic warfare dimension to the CIA's programme of covert action in Iran.<sup>49</sup> Looked at collectively, however, the full range of activities engaged in by the agency afforded it a considerable capacity to serve American objectives in Iran.

Once Eisenhower had altered official American policy in relation to Musaddiq, the provisions which had been put in place through BEDAMN proved instrumental in ensuring the success of TPAJAX. For example, the deployment of *agents provocateurs* was a key component of both the BEDAMN programme and Operation TPAJAX, as Roosevelt's reliance on bogus crowds to heighten political tension illustrates.<sup>50</sup> Copeland, who was dispatched to Iran by Roosevelt to make a logistical survey in preparation for the coup, sheds further light. Having arrived in Tehran,

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<sup>48</sup>Gasiorowski, "Coup D'État in Iran," 268-269.

<sup>49</sup>"United States Attitude Towards Formation of 'Free Government' in Iran," 14 Oct. 1948, box 6980a, RG 59, NA; the need for establishing stay-behind units may have been accentuated by the fact that during 1948 and 1949 the Soviets mounted several "armed attacks on Iranian frontier posts" and conducted "ostentatious military maneuvers near the [Iranian] border," see CIA, ORE 65-49, "The Current Situation in Iran," May 1949, pp.11-13, NSC-ORE folder (2 of 5), box 1, CIA Files, Records of the NSC, Truman Papers, HSTL; Gasiorowski, "Coup D'État in Iran," 283, note 43;

<sup>50</sup>*ibid*; Roosevelt, *Countercoup*, p.179.

Copeland discovered that CIA operatives had already charted the routes that the demonstrating hordes would have to take, and pinpointed the targets that anyone organising a coup would need to seize. He was also introduced to the "Zirkaneh Giants," a group of weightlifters on the CIA payroll who, he was told, "would be needed to direct and control the rent-a-mobs."<sup>51</sup>

Of additional advantage to Roosevelt was the fact that he inherited SIS covert action networks, which were controlled by the Rashidian brothers, and had been active in Iran since 1951 as part of the overall British strategy to remove Musaddiq from power and reverse the nationalisation of AIOC. The SIS had in fact conducted two clandestine operations in March and October 1952 with the specific purpose of removing the Iranian leader. Indeed, Musaddiq's decision to break off relations with the United Kingdom came as a direct consequence of the exposure of the second attempt.<sup>52</sup> The closure of the British embassy created serious problems for SIS. Although its actual networks remained in place, there was no secure base from which to co-ordinate operations. This was essentially why the principal SIS operative in Persia, Christopher M. Woodhouse, was so keen to approach the CIA and the State Department with the proposed Anglo-American Operation Boot.<sup>53</sup>

Roosevelt was thus in a fortunate position when he presented the modified version of Woodhouse's plan, which was to become an exclusively American venture, in Washington. In terms of policy towards Iran, a new administration had come to power with a standpoint which approximated closely to the view held by the British. In terms of strategy, the new president was a keen advocate of covert action. In terms of resources, SIS had little other option than to place the Rashidian network and other British-controlled assets at Roosevelt's disposal if TPAJAX was to succeed.

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Having received official sanction to proceed with Operation TPAJAX, Roosevelt crossed secretly from Iraq into Iran on 19 July 1953. The first stage of the plan

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<sup>51</sup>Copeland, *Game Player*, pp.187-190.

<sup>52</sup>Woodhouse, *Something Ventured*, pp.111-116; Gasirowski, "Coup D'État in Iran," 265-266; Goode, *US and Iran*, pp.70-83.

<sup>53</sup>Gasirowski, "Coup D'État in Iran," 270; Woodhouse, *Something Ventured*, pp.116-117.

involved persuading the shah to exercise the royal prerogative and dismiss Musaddiq in favour of Zahedi. Roosevelt's reliance on firstly Princess Ashraf, the shah's sister, then Brigadier General H. Norman Schwartzkopf, a confidante of the shah's who had trained the Iranian police between 1942 and 1948, to perform this task proved fruitless. Only after the intercession of Eisenhower, who agreed to include a cryptic signal in a speech to which Roosevelt urged the shah to listen, was the support of the vacillating monarch secured.<sup>54</sup> However, the initial stage of the plan backfired when Musaddiq, who had been alerted of the plot, arrested the military commander who delivered the royal decree signed by the shah appointing Zahedi as his new prime minister. Zahedi was consequently forced into hiding, and the shah left hurriedly with his queen for Rome.<sup>55</sup>

Some debate surrounds what actually happened once the shah reached Rome, for he booked into the same hotel at which Allen Dulles was staying as part of his annual summer vacation. Grose characterises this turn of events as a case of "unfortunate proximity" and maintains that although the monarch and the spymaster were both staying at the Rome Excelsior from 18 to 22 August, their paths never crossed.<sup>56</sup> This argument strains the bounds of credibility to breaking point, especially when taking Prados's claim that a similar "coincidence" occurred only a few days previously when Princess Ashraf and Loy Henderson turned up at San Moritz and met Dulles on the Swiss leg of his holiday.<sup>57</sup> The DCI had a strong interest in ensuring that the shah kept his nerve and that the coup succeeded, if only for the fact that the CIA faced a challenge on the domestic front from McCarthy during the summer of 1953. Indeed, Grose acknowledges this and he also states that Dulles left San Moritz for Rome on 16 August with the intention of monitoring events in Iran.<sup>58</sup> The DCI's vacation was thus at best a working holiday and more likely a cover, all of which lends credence to the argument of David Wise and Thomas Ross, that the shah went to Rome to confer with Dulles.<sup>59</sup>

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<sup>54</sup>Roosevelt, *Countercoup*, pp.145-147, pp.156-157.

<sup>55</sup>Gasiorowski, "Coup D'État in Iran," 273.

<sup>56</sup>Grose, *Gentleman Spy*, p.367.

<sup>57</sup>Prados, *Presidents' Secret Wars*, pp.96-97.

<sup>58</sup>Grose, *Gentleman Spy*, p.366, p.363.

<sup>59</sup>Wise and Ross, *Invisible Government*, p.110.

With the shah and Zahedi temporarily out of the picture, the BEDAMN and Rashidian networks were put on overtime. On 16 August a bogus Tudeh crowd was organised and was soon augmented with genuine communist supporters. The objective was to create the perception that Iran was in imminent danger of falling prey to a leftist takeover. This opened the way for Henderson to put diplomatic pressure on Musaddiq to clamp down on the demonstration – which over the following two days had gathered its own momentum – on the grounds that the lives of United States citizens resident in Iran were in danger: an argument which would have carried little weight but for the fact that the Tudeh newspaper was calling for the expulsion of American "interventionists."<sup>60</sup> The Iranian leader thus did the ambassador's bidding and suppressed the communist crowds on 18 August, which is evidence in itself that even at this point he was not, to borrow a quote from Allen Dulles, "a Communist stooge."<sup>61</sup>

The following day Roosevelt orchestrated a royalist demonstration led by the Zirkaneh Giants which focused its primary fire on the Iranian leader rather than the Tudeh. Having been fed radio propaganda, described by Roosevelt as "a pre-truth," which in essence stated that the Shah had dismissed Musaddiq and appointed Zahedi as premier, the rapidly mushrooming crowd proceeded to lay siege to Musaddiq's Tehran home.<sup>62</sup> Here a nine hour battle raged as troops and supporters of Musaddiq fought their royalist counterparts. Three hundred people were killed before forces loyal to the prime minister capitulated. Musaddiq himself, having first escaped, surrendered to Zahedi on 20 August.<sup>63</sup> The coup had thus succeeded, leaving the way open for the shah to return two days later to continue ruling for a further ignominious twenty-six years that ended in revolution and the rise of a fundamentalist mullah, Ayatollah Rudollah Khomeini, who determined that the Islamic Republic would not fall victim to a repetition of the "Musaddiq debacle."<sup>64</sup>

There are several parallels, at least on a superficial level, between the conditions which prevailed in Iran and Guatemala prior to the respective CIA actions. Each country was

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<sup>60</sup>Gasiorowski, "Coup D'État in Iran," 273-274; *New York Times*, 19 Aug. 1953 in Blum, *CIA: A Forgotten History*, p.61-62.

<sup>61</sup>Gasiorowski, "Coup D'État in Iran," 274; Dulles, *Craft of Intelligence*, p.216.

<sup>62</sup>Roosevelt, *Countercoup*, pp.186-197.

<sup>63</sup>Gasiorowski, "Coup D'État in Iran," 274-275.

<sup>64</sup>Bill, *The Eagle and the Lion*, p.96.

headed by a democratically elected premier who, through western pressure, was forced into a marriage of convenience with the local Communist party. Both countries attempted to expropriate land and assets from powerful multinational enclave organisations. Finally, in each case reform programmes which were designed to achieve economic independence were interpreted by the United States, either by accident or intent, as being communistic.

What, however, is most significant about the Iran coup, especially in relation to Arbenz's downfall, is the fact that it was a speedy affair executed with, in the estimation of the Eisenhower administration, minimum loss of life and maximum political impact. As a consequence, it set a precedent and encouraged repetition. Certainly this was Roosevelt's impression when he presented a summary of the tactics deployed to depose Musaddiq to Eisenhower, the Dulles brothers, and several other leading administration officials. The architect of Operation TPAJAX recounted that his exposition was generally very well received. However, the over-enthusiasm of Foster Dulles suggested to Roosevelt that the "future employment of the same counterrevolutionary or revolutionary" approach was already under consideration. These suspicions were confirmed within a few weeks when Roosevelt was offered but refused "a Guatemalan undertaking."<sup>65</sup>

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#### GUATEMALA 1954: THE ART OF KILLING FOUR BIRDS WITH ONE STONE.

That Eisenhower was prepared to initial a second covert operation within a year of Operation TPAJAX is evidence of his strong faith in covert action as a tool to advance American political ends. Unlike the circumstances of the Iranian venture, a clandestine operation against Arbenz had been approved by the Truman administration under the code-name of PBFORTUNE in July 1952. Recourse to such action was, after all, a more feasible option in Latin America than in Iran at that particular time. The potential for a superpower conflict arising from a covert action project backfiring in the Western Hemisphere was all but non-existent – Persia was an entirely different matter. Nevertheless, on learning the details of Operation FORTUNE during the following October, Acheson convinced Truman that the risks were too great and the

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<sup>65</sup>Roosevelt, *Countercoup*, pp.208-210.

president shelved the plan.<sup>66</sup> The Guatemalan project was, however, revamped after the Eisenhower administration had won power and it was brought to final fruition through Operation PBSUCCESS: the culmination of a long and complicated sequence of events which began with the Guatemalan revolution a decade earlier.

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#### THE GUATEMALAN REVOLUTION AND THE ISSUE OF COMMUNISM.

In 1944 Jorge Ubico Castaneda, the most recent in an unbroken line of dictatorial military strong men (*caudillos*) who had ruled Guatemala since it gained independence 1821, was overthrown in a popular revolution. His successor and the country's first democratically-elected president was Juan José Arévalo, a university professor who led a coalition known as the Party of Revolutionary Action (PAR). Arévalo oversaw the ratification of a new constitution in 1945, and made significant advances towards democratising Guatemala.<sup>67</sup> Complementary legislation designed to diminish the archaic agrarian system, which had tied the country inextricably to external markets and thus bedevilled its progress during the *caudillo* period, however, set Arévalo on a collision course with an entrenched aristocracy, and more importantly a powerful foreign corporation – namely the United Fruit Company (UFCO).<sup>68</sup>

The largest employer in Guatemala and holder of three vast plantations (*finca*), United Fruit provides a classic example of the enclave organisation. The company monopolised Guatemala's telephone and telegraph facilities, controlled Puerto Barrios, the country's only major port, and owned almost every mile of railway track on Guatemalan soil through its subsidiary company, International Railways of Central America (IRCA). Such holdings allowed United Fruit to maintain exclusive control over Guatemalan banana production and export.<sup>69</sup>

Arévalo's implementation of the 1947 Labour Code, which sought to lay down guidelines for a more equitable relationship between management and workers,

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<sup>66</sup>Cullather, *PBSUCCESS*, p.19.

<sup>67</sup>Immerman, *CIA in Guatemala*, pp.44-57.

<sup>68</sup>*ibid*, pp.22-28.

<sup>69</sup>Thomas McCann, *An American Company: The Tragedy of United Fruit* (New York, 1976), p.56.

alarmed United Fruit. It was this measure that led the company to mount a propaganda campaign in the United States aimed at portraying Guatemala as moving dangerously to the left.<sup>70</sup> The controversy intensified, however, when Arévalo's six year term ended and his Defence Minister, Jacobo Arbenz Guzmán, was elected president in November 1950. On coming to power, Arbenz set about introducing a comprehensive range of political and economic measures, the most far-reaching of which was the 1952 Agrarian Reform Bill. Providing for the expropriation and redistribution of some of the idle land held by larger plantations, this legislation fuelled the fires of United Fruit's propaganda campaign, helping to persuade many in the United States, including the Eisenhower administration, that Guatemala was teetering on the brink of turning communist.<sup>71</sup>

As several writers have pointed out, the programmes introduced by Arévalo and Arbenz were less radical than those pursued in Britain by the Attlee government between 1945 and 1951, and would probably have been welcomed by the administrators of the Alliance for Progress.<sup>72</sup> The participation of communists in the political process in Guatemala was, moreover, proscribed in the 1945 constitution on grounds that they adhered to a doctrine of "foreign or international character." It must, nevertheless, be added that Arbenz legalised the Guatemalan Communist Party (PGT) in 1952 and quickly came to regard it as one of those organisations of "varying tendency" which aided his government. To eject the PGT from his ruling coalition, of which they were a small though important component, was seen by Arbenz as being "the equivalent to suicide for the democratic and revolutionary movement of Guatemala."<sup>73</sup> In essence, then, the Arbenz government developed policies which were distinct from, but at the same time were supported by, the communists. As a result of these policies, Arbenz came under growing pressure from the United States,

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<sup>70</sup>*ibid*, p.60.

<sup>71</sup> Immerman, *CIA in Guatemala*, pp.61-67; Gleijeses, *Shattered Hope*, pp.149-170.

<sup>72</sup> Stephen G. Rabe, *Eisenhower and Latin America: The Foreign Policy of Anticommunism* (Chapel Hill and London, 1988), p.48; Schlesinger and Kinzer, *Bitter Fruit*, p.55.

<sup>73</sup> Schlesinger and Kinzer, *Bitter Fruit*, pp.48-61, quotes from Arbenz's speech to the Guatemalan Congress, 1 March 1954, p.61; Gleijeses, *Shattered Hope*, pp.36-50.

and as a consequence was forced to place an ever greater reliance on all of the elements which supported him, including the PGT.<sup>74</sup>

In Washington, the agencies that advised Eisenhower and Truman before him were far from unanimous in their interpretations of political conditions in Guatemala and the actions that the United States should take in dealing with Arbenz. From early 1952 onwards, the CIA held consistently to the view that communist influence over the Arbenz government was strong, increasing steadily, and "a potential risk to U.S. security."<sup>75</sup> Such views were compounded by agency suspicions that the Guatemalan leader had been complicit in the assassination of his principal conservative rival, Francisco Javier Arana, prior to the 1950 election.<sup>76</sup>

As a result, CIA plans for a clandestine operation were drawn up and reached early fruition with PBFORTUNE, which was approved then quickly cancelled by Truman. Regardless of this setback, Bedell Smith and Joseph Caldwell King, who headed the DDP's Western Hemisphere Division, kept the operational machinery well-oiled in the hope that the Eisenhower White House would "breathe new life into the project."<sup>77</sup> By contrast, the State Department's Latin America office, headed by Thomas C. Mann, regarded Arbenz as an opportunist who merely used the communists. Mann thus pursued "a policy of firm persuasion," whereby aid to Guatemala was held back in an effort to induce Arbenz to adopt a more centrist approach.<sup>78</sup>

The CIA and State Department positions began to converge, however, after rightist Guatemalan rebels, acting entirely on their own volition, made a failed attempt to overrun an Army barracks at Saláma in March 1953. The attack provided Arbenz with a pretext to clamp down on suspected subversives and as a consequence "the CIA lost all of its assets in the country and was left to deal with fragmented and contentious exile groups." This turn of events proved equally debilitating from the perspective of the State Department, for the absence of an organised opposition meant that there was

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<sup>74</sup>Memorandum of a Conversation between Eisenhower and Guatemalan Foreign Minister Guillmero Toriello, 16 January 1954, *FRUS 1952-54* Vol.4: 1095-1097.

<sup>75</sup>Cullather, *PBSUCCESS*, p.15

<sup>76</sup>Bissell, *Reflections of a Cold Warrior*, pp.80-81; Gleijeses, *Shattered Hope*, pp.64-71.

<sup>77</sup>Cullather, *PBSUCCESS*, pp.17-20, quote on p.20.

<sup>78</sup>*ibid*, pp.20-22, quote on p.22.

neither a viable alternative to Arbenz nor any element capable of weening him away from his association with the communists.<sup>79</sup> By the summer of 1953, Eisenhower's aides had reached a consensus that was spelt out succinctly by the Bureau of Inter-American Affairs: an uninterrupted trend to the left had taken hold in Guatemala, was gathering momentum, and pointed the way to communist control of the country.<sup>80</sup>

Several treatments of the Guatemala coup maintain that the PGT was indigenous in nature, and that Arbenz was merely using them to help push his reform programme forward. These points were in fact acknowledged in the bureau's analysis and are given added weight when Foster Dulles's admission that he was at a loss to find any hint of Guatemalan involvement with international communism is taken into account.<sup>81</sup>

The key to understanding American calculations, however, is the point that the Guatemalan leader's real ideological leanings were of less significance than the fact that Washington was hypersensitive to anything that carried the potential to undercut its hegemony in Latin America. In this sense, Arbenz was perceived as posing a clear threat, for by allowing the PGT to function unimpeded he gave them a foothold, which could open the way for a more significant regional communist presence and ultimately endanger the unity of the Western Hemisphere against Soviet aggression, as well as undermine the strategic position of the United States at the heart of its own sphere of influence.<sup>82</sup>

For Washington, then, reversal of the process that Arevalo had set in motion, Arbenz had accelerated, and the PGT was exploiting, was imperative, but the options that were available for achieving this aim were as limited as they had been in the aftermath of Acheson's final attempt to solve the Iranian crisis in January 1953. Overt military intervention or economic sanctions would violate treaty commitments and alienate the Latin American republics, but continuing with the policy of firm persuasion, which had so far proven fruitless, would be tantamount to doing nothing. Eisenhower,

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<sup>79</sup>*ibid*, pp.21-22, quote on p.21.

<sup>80</sup>Draft for the National Security Council prepared by the Bureau of Inter-American Affairs, 19 August 1953, *FRUS 1952-54* Vol.4: 1074-1086.

<sup>81</sup>Memorandum of a conversation between Ambassador João Carlos Muniz of Brazil and Secretary of State Dulles, 11 May 1954, *ibid*: 1106.

<sup>82</sup>Bissell, *Reflections of a Cold Warrior*, p.82.

moreover, held to the conviction that "finding creative responses to communist penetration of peripheral areas like Guatemala posed one of the critical tests of his ability as a leader." He therefore opted to deploy covert action to neutralise the clear and present danger that the Arbenz regime was deemed to represent. There was, however, another dimension to PBSUCCESS that went well beyond the bounds of Guatemalan politics. The venture was to be a "prototype operation for testing means and methods for combatting communism" in the third world generally.<sup>83</sup>

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#### EXPEDIENCY: THE PRINCIPAL REASON FOR A COUP D'ÉTAT

When exploring the motives behind the decision to depose Arbenz, it is essential to take account of three related challenges faced by Eisenhower during the 1953 to 1954 period. On the international stage, another domino seemed poised to fall to what the United States perceived as a global communist offensive in Indochina, whilst at home the administration was engaged in conflict of a different kind, as it worked to undermine McCarthy's investigation of the Army. At the same time, Eisenhower and Foster Dulles were determined to transform the Monroe Doctrine into a Western Hemispheric anticommunist charter. In view of such realities it might be contested that the primary motive for the Guatemala coup was that it acted as a perfect expedient. It stood as a demonstrable blow against communism, executed with impeccable timing to draw attention away from Indochina. Concurrently, it provided proof, by an indirect method and for the consumption of informed opinion in the United States and Latin America, that Eisenhower was not soft on communism. Thus it enhanced Eisenhower's standing, both with his allies and in Congress, at a crucial juncture in his presidency.

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During the spring and summer of 1954, the worsening French position in Indochina presented the American leadership with a situation that offered stark choices and had enormous ramifications. Sending twenty B-26 bombers to aid the French at Dien Bien Phu, Eisenhower was careful to make it clear to congressional leaders that Southeast

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<sup>83</sup>Cullather, *PBSUCCESS*, pp.22-23, quotes on p.22 and p.23

Asia could not be allowed to fall, and he stressed at an NSC meeting that Dien Bien Phu might be a critical point at which the United States must make a stand. Invoking the domino theory, the president made his logic clear, pointing out that America and its allies were better off fighting in Indochina where a large French army was already engaged, than in Burma or Thailand.<sup>84</sup>

British support was not, however, forthcoming and as a consequence of this lack of western solidarity Dien Bien Phu fell on 7 May 1954. The United States thus contemplated the humiliating prospect of a French surrender at the Conference on East Asian problems, scheduled to begin the following day in Geneva. Of enormous symbolic significance, the conference was the first formal meeting between the leaderships of all of the major powers since Eisenhower had taken office, and for the West it was taking place under the worst of conditions. The reverse of what Eisenhower and Foster Dulles had promised in 1952 was occurring. Communist forces were rolling back a western power. At the same time, Anglo-American relations were strained over military assistance to the war-weary French, who themselves were showing increasing determination to reach a negotiated settlement. For their part, Eisenhower and Foster Dulles were anxious that the French should carry on fighting and would have preferred the talks to have broken down.<sup>85</sup> Thus, when the negotiations were suspended between 12 June and 14 July, the Americans were afforded a breathing space in which to reaffirm western solidarity, and diminish the impact of a potential French withdrawal from Indochina, and the establishment of a communist state in North Vietnam.

The problem for Washington was that its room for manoeuvre was restricted. Direct American military intervention, as Foster Dulles pointed out, lacked justification in international law and was subject to the constitutional constraint of requiring a congressional declaration of war, which Capitol Hill would have been extremely reluctant to grant. Even if these obstacles could have been overcome, however, a large military force could not have been assembled and dispatched in sufficient time to

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<sup>84</sup>Robert H. Ferrell (ed.), *The Diary of James C. Hagerty: Eisenhower in Mid-Course, 1954-55* (Bloomington, Indiana, 1983), p.15; Meeting of NSC, 6 April 1954, *FRUS 1952-54* Vol.13, part 1: 261.

<sup>85</sup>William J. Duiker, *U.S. Containment Policy and the Conflict in Indochina* (Palo Alto, California, 1994), pp.88-152; Eisenhower, *Mandate for Change*, p.365.

rescue the French position in Indochina, and anyway Eisenhower had long been convinced that "no kind of victory was possible in that kind of theater."<sup>86</sup> The alternative, and a more feasible course of action, was to make an asymmetrical response: to characterise Indochina as being symptomatic of a global communist challenge, which Washington did constantly in its rhetoric anyhow, and attack the monolith in a location where the risks were acceptable, and where victory was achievable and could be exploited to full symbolic effect, namely in Guatemala.

That Eisenhower viewed, or at least presented himself as viewing, events in Guatemala and Indochina as parts of a wider communist threat is evident from a meeting that he conducted with legislative leaders in late April 1954. The president characterised both areas as critical and, referring to the overall international situation, added that American prestige would be seriously eroded if the communists were permitted to "chip away any more."<sup>87</sup> These were, of course high policy considerations, but they filtered down to American military advisors, who in seeking to educate the Guatemalan officer corps on the "facts of life" were more explicit: "it should be perfectly clear to [the Guatemalan officers targeted] that the Soviet Union is exploiting them only to create a diversion in the US backyard while Indochina is hot."<sup>88</sup>

The absence of any solid evidence to support the proposition that the crises in Indochina and Guatemala were interrelated and emanated from the same source did not deter Eisenhower from authorising covert action to counter Moscow's alleged diversionary tactics. The issue was essentially one of timing, and in this respect PBSUCCESS was remarkable if only for the determination of Allen Dulles to ensure that it remained on schedule. The DCI, for instance, removed J.C. King from active participation in the operation primarily because his methods were considered too cumbersome and he was impeding the progress of the venture. Added to this is the point that even after Arbenz had uncovered and published details of PBSUCCESS in January 1954, Dulles opted to carry on regardless.<sup>89</sup>

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<sup>86</sup>146th Meeting of the NSC, folder 6, box 9, NSC Series, AWF, DDEL; quote in Robert H. Ferrell (ed.), *The Eisenhower Diaries* (New York, 1981), p.190.

<sup>87</sup>Ferrell (ed.), *Hagerty Diaries*, pp.48-49

<sup>88</sup>Cullather, *PBSUCCESS*, p.49.

<sup>89</sup>Bissell, *Reflections of a Cold Warrior*, pp.83-84; Cullather, *PBSUCCESS*, pp.37-38.

What calls the argument that Eisenhower timed the Guatemala coup to serve wider foreign and domestic policy requirements into question is Cullather's contention that PBSUCCESS was scheduled originally to take place in mid May 1954, but problems with training caused it to be delayed until mid June. This claim does not, however, hold true when the core issue, namely the quality of the insurgents recruited for the operation, is subjected to scrutiny.

Central to the agency's plans for deposing Arbenz was the creation of a small indigenous force, which would cross into Guatemala from Honduras and be depicted by CIA propaganda as the spearhead of a much larger invasion. To meet with this requirement the agency recruited a 480-man rebel army led by Carlos Castillo Armas, a disaffected Guatemalan military officer.<sup>90</sup> The capabilities of this force have been the subject of some debate. Frederick Marks contends that it was an effective well-equipped organisation commanded by an efficient officer.<sup>91</sup> This assessment is, however, completely at odds with declassified CIA records, and the account of William 'Rip' Robertson, the agency paramilitary specialist who attempted to train the would-be insurgents at a base in Florida and on plantations at Tamarindo and Momotombito in Nicaragua. Here Castillo Armas and his recruits are depicted as a "tenth rate" band of semi- and total-illiterates led by a brave but inept man, whose limited military prowess was exceeded only by his inability to articulate anything resembling a coherent political philosophy.<sup>92</sup>

The point is that whichever of these accounts comes closest to the truth, both raise serious doubts about Cullather's claim that PBSUCCESS was delayed by a month because of problems with the training. If the CIA and Robertson are correct then the agency gave itself a near-impossible task in attempting to train Castillo Armas's men to an acceptable standard between January 1954, when they were first recruited, and May of that year, when the operation was set to go ahead. If, on the other hand, Marks's account is accurate, then the CIA insurgents were, from the outset, competent enough to perform the task required of them, and so would have needed little in the way of training. What also raises questions about the delay is the fact that, despite the alleged

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<sup>90</sup>Cullather, *PBSUCCESS*, pp.50-52, p.65; Gleijeses, *Shattered Hope*, pp.248-249.

<sup>91</sup>Frederick W. Marks III, "The CIA and Castillo Armas in Guatemala, 1954: New Clues to an Old Puzzle," *Diplomatic History* 14 (Winter 1990): 67-86, at 69.

<sup>92</sup>Cullather, *PBSUCCESS*, p.52, p.33; quote in Thomas, *The Very Best Men*, p.115.

ineptitude of Castillo Armas and his men, the CIA "graduated 37 saboteurs in March 1954 [and] 30 field officers by mid-April." It was not until mid May that the "handful of communications specialists," earmarked for training by the agency passed muster.<sup>93</sup> If, however, Washington had wanted to press ahead with the operation at this time, the CIA could have brought in radio experts from its own ranks or hired contract personnel, just as it did when recruiting pilots for PBSUCCESS's air arm.<sup>94</sup>

In fact, the only real deadline for the execution of the Guatemala coup was one imposed by nature: that it be carried out before Latin America's heavy summer rains, which were due in July.<sup>95</sup> That Eisenhower had determined that PBSUCCESS would be timed to serve wider policy requirements, moreover, is evident from a telephone conversation between the president and Bedell Smith in late April 1954. Here, a number of pressing foreign policy issues, most prominently Indochina were discussed, and both men concurred that Guatemala "is not a matter we want to make an explosion on right now." Rather, the administration chose to wait until the time was ripe for the ouster of Arbenz to have a strong impact not only in the Western Hemisphere but also on global events, and the optimum time to strike was during the suspension of negotiations on Indochina.<sup>96</sup>

On 15 June, a mere 72 hours after the temporary cessation of talks in Geneva, PBSUCCESS's invasion forces moved to their staging posts in preparation for the operation proper, which went ahead on schedule three days later.<sup>97</sup> In giving final approval for this deployment of covert action, the Eisenhower administration was implementing a strategy that conforms closely to Gaddis's theory on the New Look. The United States, in effect, shifted the focus of the Cold War from Southeast Asia to Guatemala and by deposing Arbenz made an asymmetrical response aimed at countering the prospect of a global communist victory in Indochina.

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<sup>93</sup>Cullather, *PBSUCCESS*, p.52.

<sup>94</sup>*ibid*, p.35.

<sup>95</sup>Gleijeses, *Shattered Hope*, pp.248-249.

<sup>96</sup>Memorandum of a telephone conversation by Under Secretary of State Smith with Eisenhower, 27 April 1954, Telephone Calls, Jan-May 1954 folder, box 5, DDE Diary Series, AWF, DDEL.

<sup>97</sup>Cullather, *PBSUCCESS*, pp.64-67.

Also significant is the fact that Arbenz's downfall took place on 27 June and thereby coincided with the visit to Washington of Churchill and Eden, which had begun two days earlier. These Anglo-American talks were widely seen as a reassertion of allied solidarity – talks which, in the words of the *Times*, had "not begun a minute too soon."<sup>98</sup> In this sense the coup contributed to a piece of symbolism which was vital to the West at this time. It helped to maximise the impression that the leaders of the free world again stood as one, and in consequence the counterattack against communism had already started. The fact that the Guatemalan problem was resolved whilst the British leaders were in Washington also helped to ease the strains that had occurred in the Atlantic Alliance over the American decision to stop and search any suspicious vessels bound for Arbenz's country.<sup>99</sup>

As it was, the July 1954 Geneva Accords signalled outright victory for none of the protagonists and France made, what was on balance, an honourable withdrawal from an Indochina that was now partitioned into North and South Vietnam, Cambodia, and Laos.<sup>100</sup> If PBSUCCESS assisted Eisenhower's efforts to combat, and draw attention away from, a communist advance in Indochina, however, the Guatemala coup was also seen as helping Washington in its drive to meet the Marxist challenge head-on in the Latin America.

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In developing an overarching policy towards Latin America, Eisenhower and Foster Dulles followed a resolute and dogmatic line. The administration believed that, in light of global developments, the democratically-oriented among the United States' southern neighbours were insufficiently appreciative of the dangers of communism. The priority, therefore, was to outlaw foreign ideologies in the American republics and achieve hemispheric solidarity through an extension of the Monroe Doctrine, thus securing the region from any form of Soviet-inspired infiltration.<sup>101</sup>

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<sup>98</sup>*The Times*, 26 June 1954, in Hoopes, *Devil and John Foster Dulles*, p.233.

<sup>99</sup>Eisenhower, *Mandate for Change*, pp.424-425.

<sup>100</sup>Duiker, *U.S Containment in Indochina*, pp.140-152.

<sup>101</sup>For an excellent background analysis see Rabc, *Eisenhower and Latin America*, pp.42-54; NSC 144/1, 18 March 1953, *FRUS 1952-54* Vol.4: 6-10; 189th Meeting of the NSC, *ibid*, 267-271.

The administration was successful in gaining reluctant acquiescence from the Latin American democracies for this policy, along with the unyielding support of the region's dictatorships, in the form of the Caracas Declaration. This was an anticommunist proposal presented by Foster Dulles to the Tenth Inter-American Conference held in Caracas during March 1954. In brief, the declaration stated that communist control of any country in the Americas represented a threat to the whole region, and would warrant "appropriate action in accordance with existing treaties" – namely the 1947 Rio Pact.<sup>102</sup> The Rio Pact provided for a consultation between the Organisation of American States foreign ministers, to discuss appropriate countermeasures against any real or anticipated aggression.

The existence of a supposedly communist government in Guatemala served Dulles's strategy at Caracas very well. It provided the means by which the Secretary of State was to attempt, albeit unsuccessfully, to draw attention away from his Latin American counterparts' most pressing requirement – a Marshall Plan for the region.<sup>103</sup> Instead, Dulles was able to deliver a rhetoric-littered diatribe focused directly on Guatemala, which in essence alleged that communism had already taken hold on the continent and that urgent action was essential to avert its spread.<sup>104</sup>

While Guatemalan Foreign Minister Guillermo Toriello's response earned the approval of many delegates, it did not prevent Dulles's resolution from being passed with the approval of seventeen countries. Argentina and Mexico abstained, and only Guatemala opposed the resolution,<sup>105</sup> which was, of course, convenient for the United States since such an action implied that there was some truth in Dulles's claims. The passage of the Caracas resolution, however, handed Foster Dulles more than an ill-deserved propaganda victory. It also acted as a diplomatic cover, forming "a charter for the anti-Communist counterattack" that was to follow, as well as convincing

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<sup>102</sup>"Declaration of Caracas," *DSB* Vol.30 (22 March 1954): 420.

<sup>103</sup>Rabe, *Eisenhower and Latin America*, p.52

<sup>104</sup>Foster Dulles's address to the Tenth Inter-American Conference, *DSB* Vol.30 (29 March 1954): 466.

<sup>105</sup>Gleijeses, *Shattered Hope*, pp.274-275.

Arbenz that the United States was preparing to act against him and that international opinion would not rescue him.<sup>106</sup>

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While the projection of Arbenz as a communist proved useful to the United States' achievement of hemispheric solidarity in the Americas, the removal of the Guatemalan leader also helped to maximise Eisenhower's domestic standing and unify the Republican party. For Eisenhower, the congressional elections of 1954 held the potential for the Republicans to improve on the narrow majorities won in 1952, but the vote also carried the danger that a disunited party might lose out heavily to the Democrats.<sup>107</sup> The Republican party was divided on the issue of anticommunism, a weakness that the Democrats were not slow to exploit. Adlai Stevenson, for example, pointed out that the GOP was torn into two factions, one of which was aligned with Eisenhower, the other with McCarthy.<sup>108</sup>

As discussed in the previous chapter, Eisenhower used "hidden hand" to neutralise the senator's strength. Rather than attacking McCarthy publicly, the president released an incriminating document which proved that the senator had abused his power. Following up on this move, Eisenhower then invoked executive privilege, in May 1954, in order to prevent administration employees from being subjected to congressional interrogation during the McCarthy's investigation of the Army. The senator was consequently left with no alternative other than to appeal for witnesses to defy Eisenhower's injunction in these nationally-televised hearings, which proved decisive for the president and disastrous for the senator and paved the way towards the latter's censure in December 1954.<sup>109</sup>

The issue of anticommunism was by definition one which overlapped into the sphere of foreign affairs, however, and in this respect the Guatemala coup was well timed to

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<sup>106</sup>Guatemalan Foreign Minister Guillermo Toriello Garido, speech to the Third Plenary Session, 5 March 1954, at Tenth Inter-American Conference, in Schlesinger and Kinzer, *Bitter Fruit*, pp.143-144; Eisenhower, *Mandate for Change*, p.424.

<sup>107</sup>Eisenhower, *Mandate for Change*, p.327.

<sup>108</sup>Adlai Stevenson, *New York Times*, 6 March 1954, in Greenstein, *Hidden Hand Presidency*, p.76.

<sup>109</sup>*ibid*, pp.57-99, pp.155-227.

contribute to the undermining of McCarthy. Coming less than a fortnight after the Army-McCarthy hearings, Arbenz's overthrow helped Eisenhower to both isolate the Wisconsin senator and to steal his thunder. Together with the passage of the 1954 Communist Control Act, PBSUCCESS demonstrated to Old Guard Republicans on Capitol Hill who had hitherto been supportive of McCarthy that the administration could pursue a hard line on communism without any input from the senator.<sup>110</sup> This, in turn, meant that the GOP could unite behind Eisenhower before the 1954 congressional elections.

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Schlesinger and Kinzer claim that, in removing Arbenz, the Eisenhower administration, which had close connections with United Fruit, was responding to an enormous propaganda campaign mounted by the company, and directed at persuading opinion in the United States that the Guatemalan government was communist in all but name.<sup>111</sup> This cannot be totally discounted. As two leading propagandists employed by United Fruit and with close connections to the Truman and Eisenhower administrations affirm, the company did run a sustained, and to a degree influential campaign from as early as 1947.<sup>112</sup> Nevertheless, the issue of United Fruit's influence is one which must be analysed very carefully.

The United States government did, of course, hand Arbenz a bill amounting to nearly \$16 million for the first two hundred thousand acres of United Fruit's expropriated land, claiming that the \$3 an acre figure that the Guatemalan government had offered in compensation was inadequate.<sup>113</sup> However, as Eisenhower himself stated, "expropriation does not in itself prove communism."<sup>114</sup> His administration's willingness to make representations on behalf of United Fruit was perfectly consistent with the symbiotic relationship between government and business which characterises capitalist economies.

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<sup>110</sup>*ibid*, p.329.

<sup>111</sup>Schlesinger and Kinzer, *Bitter Fruit*, pp.79-99, pp.106-107.

<sup>112</sup>*ibid*, p.83.

<sup>113</sup>*FRUS 1952-54* Vol.4: 1056-1057.

<sup>114</sup>Eisenhower, *Mandate for Change*, p.421.

As Immerman has observed, United Fruit's publicity campaign carefully linked the issue of expropriation in Guatemala to a fear of communism, which was widespread in the United States during the late 1940s and early 1950s. This was done in the understanding that such fears would have more influence in forcing the American government's hand than mere expropriation.<sup>115</sup> Indeed, Foster Dulles stressed this in a Department of State Bulletin issued shortly before Arbenz fell, stating "If the United Fruit matter were settled, the problem would remain just as it is today as far as the presence of Communist infiltration in Guatemala is concerned. That is the problem, not United Fruit."<sup>116</sup>

It could, of course, be countered that Dulles's remarks were designed as something of a cover. The Secretary of State and his brother had, after all, represented United Fruit whilst employed by the Sullivan and Cromwell law firm in the 1930s. Other close associations existed between the company and the Eisenhower administration. For instance, Eisenhower's secretary was married to United Fruit's public relations director, and Under Secretary of State Bedell Smith was anxious to secure a directorship with the company.<sup>117</sup> However, if United Fruit had been sure that these close ties would guarantee American intervention in Guatemala, they would not, on the eve of the Republican victory in 1952, have hired Clements Associates – a public relations firm with strong connections in the GOP – to help influence Eisenhower's hand.<sup>118</sup> Equally pertinent is the point that, despite Bedell Smith's appointment to the directorship of United Fruit in the aftermath of the coup, the company was issued with an antitrust suit by the Eisenhower administration following Arbenz's downfall. The government of the United States was not therefore in the business of affording UFCO favourable treatment, as it did with Aramco in the aftermath of Ajax. Indeed, this was reflected in the fact that United Fruit never actually regained the power it had enjoyed in Guatemala before Arevalo and Arbenz came to power.<sup>119</sup>

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<sup>115</sup>Richard H. Immerman, "Guatemala as Cold War History," *Political Science Quarterly* 95 (1979): 629-652, at 638.

<sup>116</sup>"News Conference Statement by Secretary Dulles: Guatemalan Situation." *DSB* Vol.30 (21 June 1954): 981.

<sup>117</sup>Schlesinger and Kinzer, *Bitter Fruit*, p.107.

<sup>118</sup>McCann, *Tragedy of United Fruit*, p.74.

<sup>119</sup>Grose, *Gentleman Spy*, p.383.

Rather than United Fruit using Eisenhower to achieve its aims, it might just as easily be argued that the reverse was the case. In short, the president based his decision to sanction the coup on criteria which related to his own standing in the international and domestic spheres, criteria which were independent of the issue of expropriation in Guatemala. At the same time, Eisenhower was aware of United Fruit's propaganda campaign, and used it to make the overthrow of Arbenz appear more justifiable.

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#### PREPARATION.

Covert action against Guatemala was authorised by the NSC staff on 12 August 1953 and over the following month a general plan for the ouster of Arbenz was drawn up by J.C. King's Western Hemisphere Division. Submitted on 11 September, the project was approved by Allen Dulles on 9 December, and allocated a budget of \$3 million. PBSUCCESS was, from its outset, "a governmentwide operation led by the CIA," and overt measures designed to complement the agency's clandestine offensive were crucial to the plan.<sup>120</sup> The State Department, for instance, conducted a campaign in the OAS to isolate Guatemala, which bore ultimate fruit with the Caracas Declaration. State also selected individuals who had experience of working with the OPC/DDP to represent the United States in those countries that were directly involved in the operation. Thus, CAT's Whiting Willauer became Ambassador to Honduras, from where the invasion was to be launched, and Thomas Whelan was dispatched to Nicaragua, where the CIA was to broadcast disinformation and train its rebel army.<sup>121</sup>

Prime among State's team of activist diplomats was John Peurifoy, who was appointed, on Wisner's recommendation, as Ambassador to Guatemala in October 1953. Peurifoy knew nothing of the country in which he was to be America's first minister and could not speak Spanish. What he did have, however, was the reputation of being "a most willing and able ally" of the CIA: credentials which had been established while he was Ambassador to Greece between 1950 and 1953.<sup>122</sup> Indeed his inclination towards the proactive was to endure beyond the Guatemalan venture, when in the guise of

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<sup>120</sup>Cullather, *PBSUCCESS*, pp.26-30, quote on p.29.

<sup>121</sup>Immerman, "Guatemala as Cold War History," 641; Gleijeses, *Shattered Hope*, pp.289-292.

<sup>122</sup>Gleijeses, *Shattered Hope*, pp.252-254, quote on p.253.

Ambassador to Thailand he coordinated covert operations against Communist China before being killed in a car crash in August 1955.<sup>123</sup>

Equally important in the drive to exert maximum pressure on Arbenz was the input of the Defense Department, which worked with State to enforce an arms embargo against Guatemala. Acting in concert with these moves, the United States Navy and Air Force provided logistical support for the CIA and initiated a series of overt measures, culminating in a sea blockade of Guatemala code-named HARDROCK BAKER, which came into force on 24 May 1954 following Arbenz's purchase of arms from Czechoslovakia. These measures were designed to "create an atmosphere of fearful expectancy" and thereby "enhance the effectiveness of covert action."<sup>124</sup> To close the circle still further, "an already cleared group" of New York City businessmen were assigned to put covert economic pressure on Guatemala. The methods to be deployed were consistent with the clandestine preclusive buying and associated techniques practiced by the OPC in Europe, being aimed at "creating shortages of vital imports and cutting export earnings."<sup>125</sup>

Nicholas Cullather's in-house history of PBSUCCESS maintains that its planners decided to use all of the tactics that had proven useful in previous operations, including psychological, diplomatic, economic, paramilitary, and political action.<sup>126</sup> What must, however, be stressed is that, as applied with the State and Defense Department contributions to the enterprise, the overall thrust of the CIA's campaign hinged primarily on the use of psychological warfare. Rather than being deployed as instruments to remove Arbenz directly, the other components were designed to assist in the campaign to convince the Guatemalan leader, his army, and his people of the impending downfall of his regime and so induce him to resign or cause his overthrow by his own military.

Though the plan for PBSUCCESS was devised by the Western Hemisphere Division, the venture was organised and executed as an autonomous unit within the DDP.<sup>127</sup>

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<sup>123</sup>Grose, *Gentleman Spy*, p.374.

<sup>124</sup>Cullather, *PBSUCCESS*, p.29, pp.61-62, quote on p.29.

<sup>125</sup>*ibid*, p.27

<sup>126</sup>*ibid*, p.26

<sup>127</sup>Immerman, "Guatemala as Cold War History," 641.

Establishing a pattern that was to be repeated during the Bay of Pigs campaign, the DDI was completely sidelined. Wisner assumed overall control from CIA headquarters and Tracy Barnes served as liaison between Washington and the base at Opa Locka, Florida – code-named LINCOLN – from where the project's field commander Colonel Albert Haney managed the operation. E. Howard Hunt was appointed chief of political action and David Atlee Phillips was recruited to organise radio propaganda. J. C. King had in fact been given nominal control of PBSUCCESS in its initial stages. He was subsequently removed from active participation, however, partly because he was considered to be too close to UFCO. More decisively, his penchant for caution brought him into irreconcilable conflict with Haney, who opted for a more aggressive approach, which was supported by Barnes but caused Wisner to become increasingly concerned that PBSUCCESS involved excessive risks. Richard Bissell, who had taken up the post of special assistant to the DCI in February 1954, served as a detached observer and troubleshooter, whose purpose was "to sort out the source of conflicts and resolve them." Meanwhile, Peurifoy ensured that maximum diplomatic pressure was enforced in order to intimidate Arbenz.<sup>128</sup>

Higher up the chain of command, Allen Dulles met three times weekly with Wisner, Barnes, and Bissell in order to keep abreast of developments. Focusing on "the broader strategic issues," the DCI also conferred daily with his brother by phone (see appendix 9 for the PBSUCCESS organisation chart).<sup>129</sup> For his part, Eisenhower continued with the practices established during TPAJAX, remaining aloof from events but receiving oral reports on the progress of the operation from Foster Dulles and more especially Bedell Smith, who was identified by Bissell as "someone who had great authority to make decisions and take action."<sup>130</sup>

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<sup>128</sup>Cullather, *PBSUCCESS*, p.29; Bissell, *Reflections of a Cold Warrior*, p.78, pp.83-85; Phillips, *Night Watch*, pp.34-38; Grose, *Gentleman Spy*, pp.374-377.

<sup>129</sup>Grose, *Gentleman Spy*, p.377; quote from Bissell, *Reflections of a Cold Warrior*, p.83.

<sup>130</sup>Ambrose, *Eisenhower: The President*, p.111; Memo. by Under Secretary of State (Smith) to the President, 18 Aug. 1953, *FRUS 1952-54*, Vol.10: 748. Smith here provides Eisenhower with a brief summation of the Iranian situation during the denouement of TPAJAX, when developments appeared to be heading towards failure: "The move failed because of 3 days of delay and vacillation by the Iranian generals concerned, during which time Mosadeq apparently found out what was happening. Actually it was a *counter-coup*, as the Shah acted within his constitutional power in signing the firman replacing Mosadeq." For an example of the adoption of similar practices during PBSUCCESS see Eisenhower to

The autonomous nature of PBSUCCESS was partly attributable to the very practical reason that employing desk officers who were already working on other assignments to partake simultaneously in an operation on the scale of the Guatemalan enterprise would have invited confusion and inefficiency.<sup>131</sup> It was, furthermore, standard practice for the CIA to compartmentalise its operations in order to maximise the prospects of maintaining secrecy. In the case of PBSUCCESS, however, this requirement was compounded, firstly by the unprecedented magnitude of the project. Secondly, though in many respects security was lax to the point that the operation could barely be called covert, there were some highly sensitive elements incorporated into the programme. Prime among these were the DDP's plans to assassinate Arbenz and some of his associates.<sup>132</sup>

The use of assassination in the Guatemala campaign was first contemplated during PBFORTUNE and revamped with the authorisation of PBSUCCESS. Haney routinely included two assassination specialists in his training plans, and the liquidation of key political and military figures in the Arbenz regime was to have been performed by teams dubbed "K-groups" during the invasion.<sup>133</sup> For leading CIA and State Department officials, however, the advantages of assassination were never clearly spelt out and the proposed murders were therefore never sanctioned.<sup>134</sup>

What the agency did place a good deal of emphasis on was the *threat* of assassination. Projected victims were sent mourning cards, hangman's nooses, wooden coffins, and phony bombs in what was described as "a nerve war against individuals." Deployed primarily for their psychological worth, these tactics were designed to "scare not kill."<sup>135</sup> In this respect they tied in with the agency's political action or "K-Program," the principal purpose of which was to pressurise government officials and more

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Bedell Smith, Phone Calls, 27 Apr. 1954, Phone Calls Jan-May 1954, folder 1, Box 5, DDE Diary Series, AWF, DDEL.

<sup>131</sup>Immerman, "Guatemala as Cold War History," 641.

<sup>132</sup>Haines, *CIA and Guatemala Assassination Proposals*

<sup>133</sup>*ibid*, pp.1-5.

<sup>134</sup>*ibid*, pp.7-8.

<sup>135</sup>*ibid*,p.5.

especially the Guatemalan officer corps to defect.<sup>136</sup> Indeed, the evidence of Gerald K. Haines's in-house history of these activities and Cullather's research suggests that assassination was a constituent part of the K-Program, though no definite connection is made in either work.<sup>137</sup> As it was, these measures proved unsuccessful. Indeed the only notable penetration resulted from the CIA's dispatch of its Berlin chief of station, Henry Heckscher, to Guatemala City in the guise of a coffee merchant in an attempt to turn elements of the country's military. Though Heckscher's efforts have been characterised as amateurish and conspicuous, to the extent that he had to flee Guatemala in fear of arrest, he was successful in recruiting one spy on Arbenz's planning staff who proved useful.<sup>138</sup>

As has already been discussed, Castillo Armas's rebel army was central to agency planning. It should, however, be stressed that this small indigenous force was not envisaged as posing a serious military threat. Rather, it was one of the several psychological weapons which, it was hoped, would ignite an unstoppable momentum, thereby mobilising latent anti-Arbenz elements into action and forcing the Guatemalan leader to flee or be deposed.<sup>139</sup>

That Castillo Armas was selected then retained as 'Liberator' was, according to CIA records, due entirely to the fact that the agency was offered little in the way of an alternative. The most feasible candidate, Juan Cordova Cerna, was suffering from throat cancer.<sup>140</sup> The only other contender, Miguel Ydígoras Fuentes, had served as a general under Ubico, gaining a reputation for brutality in the process, and bore the "leonine demeanor" of the *caudillo*. He was thus viewed as a "public relations liability." Castillo Armas, on the other hand, was physically unimposing and had the unmistakable look of the *mestizo*, which was seen as advantageous for a future leader of Guatemala.<sup>141</sup> More than any other consideration, however, Castillo Armas followed in the Zahedi tradition: he could be depended on to adhere to the wishes of the CIA, and his lack of military or political prowess was of secondary importance.

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<sup>136</sup>Cullather, *PBSUCCESS*, p.48.

<sup>137</sup>*ibid*, p.48, p.50, p.64; Haines, *Guatemala Assassination Proposals*, pp.4-9.

<sup>138</sup>Grose, *Gentleman Spy*, pp.376; Thomas, *The Very Best Men*, p.115.

<sup>139</sup>Cullather, *PBSUCCESS*, pp.50-52, p.65; Gleijeses, *Shattered Hope*, pp.248-249.

<sup>140</sup>Immerman, "Guatemala as Cold War History," 642.

<sup>141</sup>*ibid*; quotes in Cullather, *PBSUCCESS*, p.35.

More crucial to the operation's success was airpower. Agency calculations followed from the premise that control of the skies would be relatively easy to achieve, given that Arbenz's Air Force was small and obsolescent. Guatemala was, furthermore, unaccustomed to any form of aerial bombardment. Thus, even very limited bombing of Guatemala City held out the prospect of causing widespread panic and having maximum psychological impact on the Arbenz regime. In line with these assumptions, the CIA provided its insurgents with a small air arm based at Puerto Cabezas in Nicaragua, and together with Willauer hired contract pilots and transferred personnel from CAT to fly and service the planes.<sup>142</sup>

Equally vital to the creation of the right psychological climate, both prior to and during the invasion, was radio propaganda. Though, as was the case in Albania, Guatemalans were "not habituated" to this medium, with only one person in fifty owning a set, the CIA assumed that the target population "probably regarded radio as an authoritative source."<sup>143</sup> The agency therefore established a mobile transmitter, which was controlled by Phillips and broadcast from just inside of the Nicaraguan and Honduran borders with Guatemala under the code-name of SHERWOOD. Assuming the name of the "Voice of Liberation," SHERWOOD was to transmit disinformation that was in fact recorded on tapes in Florida, but which was portrayed as the work of indigenous opponents of Arbenz broadcasting live from inside Guatemala. The radio campaign began on 1 May 1954 and continued up to 18 June, at which point it was intensified to coincide with the invasion.<sup>144</sup>

Before acting against the Guatemalan government, Washington required a pretext that would demonstrate that Arbenz was a communist and in league with Moscow. The necessary justification could not, however, be secured and CIA moves to manufacture evidence by planting an arms cache complete with Soviet markings on the Guatemalan

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<sup>142</sup>Cullather, *PBSUCCESS*, pp.50-51; Thomas, *The Very Best Men*, p.115-116.

<sup>143</sup>Quotes in Cullather, *PBSUCCESS*, p.27.

<sup>144</sup>Overview of Operation SHERWOOD (1of 3), box 2, Studies and Other Records of the Central Intelligence Agency in Guatemala, 1952-54, Records of the Central Intelligence Agency, RG 263, NA; Phillips, *Night Watch*, pp. 38-48.

coast had little impact.<sup>145</sup> Ironically, it was Arbenz's own actions that proved decisive in providing the United States with the excuse it needed.

When, in January 1954, a Panamanian double agent confirmed to the Guatemalan leader that the CIA was plotting his downfall, Arbenz reacted by procuring \$4.86 million worth of arms from Czechoslovakia, which were shipped to Guatemala the following May aboard the Swedish freighter *Alfhem*. Alerted to this development by Heckscher's spy, the agency is reported to have monitored the deal as closely as possible.<sup>146</sup> According to Cullather, the CIA knew the banking arrangements involved in the purchase, the course taken by the *Alfhem* en-route to Puerto Barrios, and the diversionary radio instructions that were relayed to the ship in the hope of throwing the United States off the scent. The CIA and the State Department are alleged to have worked frantically to intercept the shipment, but, as Wisner quickly realised, its arrival in Guatemala on 15 May provided Washington with evidence of a link between the Arbenz regime and the Eastern bloc, and in turn the justification for some form of intervention in Guatemala.<sup>147</sup> The Secretary of State deplored the incident as a "development of gravity," and signed a mutual security treaty with Honduras, while Eisenhower issued the United States Navy with an order to stop and search, on the open seas, any suspicious vessels bound for Guatemala.<sup>148</sup> Causing controversy amongst adversaries and allies alike, this was a move which was tantamount to an act of war, and it served notice on Arbenz of Washington's determination to see him deposed.

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#### **THE DEED: EXECUTION OF THE GUATEMALA COUP**

As was the case during the preparatory stages of PBSUCCESS, the period encompassing Castillo Armas's invasion through to Arbenz's resignation hinged primarily on the use of psychological warfare, with paramilitary tactics being deployed to reinforce the propaganda broadcast by SHERWOOD. The final outcome was,

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<sup>145</sup>Cullather, *PBSUCCESS*, p.40

<sup>146</sup>*ibid*, pp.57-59.

<sup>147</sup>*ibid*.

<sup>148</sup>*DSB* Vol.30 (7 June 1954): 835; Eisenhower, *Mandate for Change*, pp.424-425.

moreover, due less to a successful prosecution of the operation by the CIA than to the fact that Arbenz made poorly evaluated decisions at crucial points in the campaign, which allowed the agency to retain the initiative. If not entirely the author of his own defeat, the Guatemalan premier certainly demonstrated a lack of judgement and cravenness that proved instrumental in bringing about his political demise.

Beginning on 18 June, the first phase of the invasion gave the CIA hierarchy little cause for optimism (see appendix 10). Having divided into four contingents, Castillo Armas's insurgents were charged with the initial objectives of capturing Puerto Barrios, the Army garrison and railway terminal at Zacapa, and two other lightly defended border towns. The Liberator's forces advanced only six miles into Guatemala, however, before stopping without having engaged in any substantial combat.<sup>149</sup> Performing only slightly better, the rebel air force dropped leaflets on Guatemala City and small explosives on Puerto Barrios in a showing that John Doherty, the CIA chief of station in the target country, described as "pathetic." While arousing neither panic nor dissent, the attacks left two of the agency's planes grounded as a result of damage caused by smallarms fire; a third aircraft crashed.<sup>150</sup>

At this point Wisner, who had become well accustomed to failure through his experiences in Eastern Europe, was prepared to abort PBSUCCESS, but Dulles and Bissell were not so ready to admit defeat. Believing the agency's reputation to be at stake, the DCI and his special assistant secured an audience with Eisenhower in which they requested four additional planes.<sup>151</sup> The meeting provides an important insight into how the president viewed covert action as serving his political objectives in Guatemala. On giving the go-ahead for the invasion, Eisenhower had adopted a stance that was more akin to a general than a politician, stressing that "when you commit the flag, you commit it to win."<sup>152</sup> In sanctioning the invasion, then, the president had in effect crossed the Rubicon and the only acceptable outcome was victory. While lobbying for the extra planes, Dulles assessed the prospects of victory at only 20 percent and his request was in fact opposed by Assistant Secretary of State Henry Holland. For Eisenhower, however, defeat was not an option, and bolstering the CIA's

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<sup>149</sup>Cullather, *PBSUCCESS*, pp.64-67; Phillips, *Night Watch*, p.48.

<sup>150</sup>Cullather, *PBSUCCESS*, p.69; Thomas, *The Very Best Men*, p.119.

<sup>151</sup>Bissell, *Reflections of a Cold Warrior*, pp.87-88.

<sup>152</sup>Schlesinger and Kinzer, *Bitter Fruit*, p.170.

chances of success was a more feasible course of action than the other alternative of authorising overt military intervention and accepting all of the accompanying risks. The DCI therefore got his planes.<sup>153</sup>

Meanwhile, Arbenz delivered the first in a series of self-inflicted wounds that were to prove fatal for his presidency. A key piece of propaganda broadcast by Phillips's 'Voice of Liberation,' which was by now operating from the roof of the American embassy in Guatemala City, was the claim that Arbenz planned to betray his Army and distribute weapons to communist and labour-led militia groups. Planting doubt in the minds of the Guatemalan officer corps, this disinformation led one Air Force colonel to defect and denounce Arbenz on the rebel radio station. The Guatemalan leader's response, however, was one of overreaction. Fearing that further desertions would follow, he grounded his Air Force, thereby ceding control of the skies to the CIA.<sup>154</sup>

This proved to be a crucial development, for it enabled the agency to execute an integrated campaign in which limited paramilitary action lent force to the propaganda transmitted by the 'Voice of Liberation.' For the next three days the rebel air force bombed Guatemala City with impunity, while Castillo Armas's troops fought a garrison at Chiquimula. Neither action was decisive militarily. The bombing was noisy but caused only marginal damage and the confrontation on the ground was little more than a skirmish. They nevertheless served their purpose in that they provided "vivid evidence of overt battle," which gave credibility to SHERWOOD's claims that a full-scale invasion was in process and in turn had a powerful psychological impact on Arbenz and his people.<sup>155</sup>

It was, however, the Guatemalan leader's own lack of judgement and resolve under pressure, combined with growing dissent from within his military, that finally brought him down. Recognising the need to silence the 'Voice of Liberation,' Arbenz ordered a power cut, which proved to be self-defeating because the move also caused a blackout and increased the sense of panic that the CIA was so eager to promote. He then did exactly what SHERWOOD had earlier forecast and ordered the distribution of weapons to people's organisations, which was regarded as an unacceptable lurch to the

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<sup>153</sup>Eisenhower, *Mandate for Change*, p.424.

<sup>154</sup>Thomas, *The Very Best Men*, p.121; Phillips, *Night Watch*, p.46.

<sup>155</sup>Cullather, *PBSUCCESS*, pp.76-77; quote in Bissell, *Reflections of a Cold Warrior*, p.89.

left by the Guatemalan officer corps, who responded by demanding his resignation. Arbenz was thus overthrown, not by Castillo Armas or the CIA, but by a military coup led by Colonel Carlos Enrique Díaz, who was almost immediately forced to stand down in favour of the CIA's caretaker candidate, Efraín Morúa Ferrer.<sup>156</sup> Eleven days and five juntas later, Castillo Armas assumed the presidency of Guatemala. The country thus played host to the return of the *caudillos*, and it remained under the heel of successive dictatorships long after Castillo Armas's repressive period as premier was abruptly ended with his assassination in July 1957.<sup>157</sup> For its part, Washington "breathed a collective sigh of relief" and moved the focus of its attentions to other more pressing problems elsewhere.<sup>158</sup>

In executing the Guatemala coup, the Eisenhower administration removed a leader suspected of strong communist sympathies. PBSUCCESS was, however, equally significant in the sense that it served notice on Latin American communists generally that the United States would not tolerate their creed in the Western Hemisphere. Arbenz's downfall had additional symbolic value, delivering a blow against what was perceived as international communism at a time when western leaders were face to face with their ideological adversaries in Geneva. The impact of the coup, moreover, extended to the sphere of domestic politics in the United States, for it diminished the potential for McCarthy to charge the Eisenhower administration with being soft on communism. In short, the Guatemala coup was the definitive example of the art of killing four birds with one stone. It also provided a model to be emulated on future subterranean Cold War battlefields of Eisenhower's choosing, as became clearly apparent with the Indonesian campaign four years later.

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#### **INDONESIA 1958: AN ALARM FROM THE MALAY ARCHIPELAGO.**

A point made by Roy Godson in relation to the theory of covert action is that it is utilised most effectively when an existing intelligence infrastructure is in place prior to

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<sup>156</sup>Cullather, *PBSUCCESS*, pp.76-78; Thomas, *The Very Best Men*, pp.121-123; Phillips, *Night Watch*, pp.46-48.

<sup>157</sup>Cullather, *PBSUCCESS*, p.79; Gleijeses, *Shattered Hope*, pp.381-383.

<sup>158</sup>Phillips, *Night Watch*, p.53.

the planning of any given operation.<sup>159</sup> Historical evidence drawn from CIA clandestine operations supports this clearly. The ill-fated Operation BGFIEND in Albania, for example, was doomed to failure from the moment of its conception for the lack of adequate collection, analysis, and counterintelligence provisions, and covert action networks. On the positive side of the ledger, the SPG was able to draw from an existing counterintelligence infrastructure in Italy, which was expanded and improved with the sanctioning of the Italian operation, and this enabled the CIA to play an important role in securing DeGasperi's election in 1948. Likewise in Iran, the BEDAMN and Rashidian networks proved crucial to the success of Operation TPAJAX.

In the case of Operation PBSUCCESS, no substantial intelligence infrastructure, other than the contacts that the CIA had with UFCO, existed in Guatemala before Eisenhower's decision to initial Wisner's plan for the ouster of Arbenz was made – the neutralisation of King's contacts in the Saláma mutiny ensured that this would be the case. What made PBSUCCESS so important, however, was that it lived up to its name and led the Eisenhower administration to assume that the same hastily assembled model could be established and applied to advantage in other theatres. This displayed a lack of judgement on both a strategic and tactical level, and nowhere was this more apparent than with the sanctioning of Operation HIKE in November 1957, the objective of which was to depose the Indonesian premier, Achmed Sukarno.

Some indication that Operation HIKE was afflicted by an absence of foresight on the part of policymakers, even in its planning stages, was evident in the selection of Al Ulmer as the operation's commander. That Ulmer was a very experienced station chief was beyond doubt. He had, after all, managed the agency's Athens station very effectively, but he was not sufficiently familiar with the Far East to direct an operation of the magnitude that HIKE proved to be.<sup>160</sup> Adhering closely to the Guatemalan scenario, the Indonesian campaign divided into two phases. To begin with, a psychological warfare programme was to be launched to create an atmosphere of political insecurity, after which an uprising of elements of the Indonesian military augmented by mercenaries and with the support of CIA airpower would complete the

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<sup>159</sup>Godson, *Dirty Tricks or Trump Cards*, p.126.

<sup>160</sup>Joseph Burkholder Smith, *Portrait of a Cold Warrior* (New York, 1976), pp.197-198, pp.230-231.

coup.<sup>161</sup> That such a plan was permitted to go ahead showed, to borrow a phrase from the damning post-mortem conducted by the President's Board of Consultants on Foreign Intelligence Activities (PBCFIA) in the aftermath of HIKE, "no proper estimate of the situation" in the target country.<sup>162</sup>

Conditions in Indonesia bore little resemblance to those which had applied in Guatemala four years previously. Guatemala is a small country both in terms of size and population and is located close to the United States. Indonesia, on the other hand, is the largest country in Southeast Asia and stands ten thousand miles away from the mainland of the United States (see appendix 11). Sukarno ruled over an ethnically diverse population of over one hundred million people who inhabited six major and thousands of minor islands.<sup>163</sup> The logistical problems of launching a covert operation in such a country were immense.<sup>164</sup>

On a very superficial level, Indonesia corresponded to the familiar pattern of a third world leader expropriating the assets and resources of his country from a first world power or business concern – in this case rubber plantations, tin mines, and oil wells which had hitherto been Dutch possessions were confiscated – but there the similarities between Indonesia and Guatemala ended. Unlike Arbenz, Sukarno was a political veteran and was well accustomed to the machinations of the great powers. Having founded the Indonesian Nationalist Party during the 1920s, he collaborated with the Japanese after their invasion of Indonesia in 1942 in order to fulfil his long-term aim of preventing the country's Dutch colonial masters from returning. Following World War II and a revolution which ended Dutch rule in 1949, Sukarno became the country's president.<sup>165</sup> From this juncture he pursued a policy of neutralism in the

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<sup>161</sup>Jackson, *Dulles-DCI*, Vol.3, pp.108-113.

<sup>162</sup>President's Board of Consultants on Foreign Intelligence Summation 1958, in Arthur Schlesinger Jr., *Robert Kennedy and His Times* (Boston 1978), p.457.

<sup>163</sup>Wilfred T. Neil, *Twentieth Century Indonesia* (New York and London, 1973), pp.1-38, pp.323-347.

<sup>164</sup>The fullest and most scholarly account of American intervention in Indonesia is Audrey R. and George McT. Kahin, *Subversion as Foreign Policy: The Secret Eisenhower and Dulles Debacle in Indonesia* (New York, 1995).

<sup>165</sup>Gary R. Hess, *The United States Emergence as a Southeast Asian Power, 1940-1950* (New York, 1987), pp.166-167, pp.275-309.

Cold War which was very much in evidence at the Bandung conference in 1955 and made Sukarno a red flag to the Dulles bull. The Indonesian leader was, nevertheless, unperturbed by the pronouncements of Eisenhower's Secretary of State on the undesirability of nonalignment.<sup>166</sup>

In effect then, Sukarno was not, given his past record, likely to bend under the type of psychological pressure that had proved instrumental in bringing down Arbenz. Not only this, but PBSUCCESS had forewarned third world leaders around the globe of the potential for the United States to resort to covert action if it perceived its interests as threatened. This was perhaps the most fundamental legacy of the Guatemala coup and it made the world of 1958 a considerably less naive place than it had been in 1954.

In many ways the Eisenhower administration actually had more justification for acting against Sukarno than against Arbenz or Musaddiq. Indonesia possessed plentiful supplies of tin, rubber, and oil which, as a State Department study pointed out, were vital strategic resources.<sup>167</sup> The country was, furthermore, in a vital strategic position. The fact that it lay in a three thousand mile arc across the Malay Archipelago in the Indian and Pacific oceans meant that the communication lines between Japan and Australia would be broken if Indonesia turned communist; and in this respect there were ominous signs.<sup>168</sup>

The Indonesian Communist Party (PKI) enjoyed a surge of growth in the early 1950s after adopting a broad national front policy. By the middle of the decade the PKI boasted a million members, attracted six million votes in the national elections of 1955, and subsequently became a valued partner in Sukarno's ruling regime. Closer relations were thus forged with the Soviet Union which, although it recognised the Indonesian Republic in 1950, had not exchanged diplomatic missions with Djakarta until 1954. Western fears that Indonesia was drifting towards communism intensified when Sukarno returned from a visit to Moscow in September 1956 and replaced the

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<sup>166</sup>Marks, *Power and Peace*, p.75; Memo. for Mr. James Lay Jr., "Progress Report on Indonesia (NSC 5518)," folder 7, box 16, Policy Papers Subseries, NSC Series, WHO, DDEL.

<sup>167</sup>FRUS 1955-57, Vol.10: 540, 584, 630.

<sup>168</sup>Memo of Discussion Between the President's Citizen Advisors on the Mutual Security Program and the Secretary of State, 25 October 1956, *ibid*:121; Memo. for the NSC, 6 Sept. 1957, "Special Report on Indonesia," folder 2, box 16, Policy Papers Subseries, NSC Series, WHO, DDEL.

existing parliamentary system of government with a quasi-dictatorship that operated under the title of 'guided democracy.' A good-will tour by Soviet President Kliment Voroshilov to Indonesia in May 1957 served only to confirm this move to the left. What made Sukarno additionally dangerous was that he made his determination to wrest neighbouring West Irian from Dutch hands explicit, and this claim now had Soviet support.<sup>169</sup> The Indonesian premier was therefore a source of regional instability and a threat to the global interests of Holland, an important ally of the United States.

There were, then, good reasons for considering covert action against Sukarno before the CIA's operations officer in Djakarta, Joseph Smith, was ordered by Wisner in 1957 to find justification for such a move.<sup>170</sup> Indeed, the Eisenhower administration had identified Indonesia as a country where "communist subversion [had] reached a stage in which military type action [was] immediately or potentially required" from as early as 1955, purely on the economic and strategic merits of the case.<sup>171</sup> The disruption of Voroshilov's visit by anti-Soviet demonstrations,<sup>172</sup> whether they were instigated by the CIA, a genuine expression of indigenous concern about the introduction of guided democracy, or a combination of the two, could only have encouraged the view that Sukarno actually could be deposed. Moreover, the power of central government in Indonesia tended to be balanced and diffused by local power, and senior American officials had been approached by the leading man in central Sumatra, Lieutenant Colonel Achmad Hussein, who offered his services to remove Sukarno.<sup>173</sup>

The Eisenhower administration therefore reasoned that, should the principal objective of HIKE prove unattainable, then a partial success might be secured: the secession of oil-rich Sumatra from the Indonesian whole, which would protect private Dutch and

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<sup>169</sup>Steven I. Levine, "Breakthrough to the East: Soviet Asian Policy in the 1950s," in Warren I. Cohen and Akiri Iriye (ed.), *The Great Powers in East Asia: 1953-1960* (New York, 1990) pp.304-305.

<sup>170</sup>Smith, *Portrait of a Cold Warrior*, p.220.

<sup>171</sup>Report of the NSC 1290-d Working Group, 15 February 1955, *FRUS 1955-57* Vol.10: 7 (Source: Department of State, S/S-NSC [Miscellaneous] Files: Lot 66 D95, Working Group on NSC 1290-d). No drafting information is given on the top secret source text to this document. Annex A to this report, containing the status of internal security forces of the individual countries, is not printed.

<sup>172</sup>Marks, *Power and Peace*, p.148.

<sup>173</sup>Kahin and Kahin, *Subversion as Foreign Policy*, pp.54-74, pp.99-142.

American interests and investments.<sup>174</sup> It was thus with the blessing of the United States that, following the articulation of the 'Charter of Inclusive Struggle,' the PERMESTA movement was formed by dissident military figures and conservative Muslim groups centred in Sumatra and Celebes Island during February 1958.<sup>175</sup>

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The issue of where responsibility lay for initiating Operation HIKE is a matter of some debate. Ray Cline, who as head of the CIA's Taiwan station was closely involved with developments in Indonesia, claims that the agency took the initiative.<sup>176</sup> Yet the PBCFIA presented a very different picture, maintaining that "in its active phases the operation was directed not by the DCI but the Secretary of State, who undertook *all* decisions down to and including even the tactical military decisions." This claim is backed up by Bissell and supported by an examination of Foster Dulles's phone conversations relating to Indonesia for the period of January to May 1958. The PBCFIA study also makes clear that HIKE was never formally considered by the 5412 Committee, the executive overview and guidance body for covert operations.<sup>177</sup> Certainly the CIA's analysts saw little chance of the rebellion succeeding. DDI Robert Amory, for instance, scrutinised the progress of HIKE carefully and warned of impending failure.<sup>178</sup> These views were to an extent shared by Allen Dulles himself, who remained cautious and distant throughout, and the American Ambassador to Indonesia, John Allison, who argued persistently that the enterprise was too risky.<sup>179</sup>

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<sup>174</sup>Prados, *Presidents' Secret Wars*, pp.134-135.

<sup>175</sup>Kahin and Kahin, *Subversion as Foreign Policy*, p.54-74, pp.99-106.

<sup>176</sup>Ray Cline, *Secrets, Spies, and Scholars: Blueprint of the Essential CIA* (Washington D.C., 1976), p.205.

<sup>177</sup>PBCFIA Summation, in Schlesinger, *Robert Kennedy*, p.457; Richard M. Bissell, OH 382, p.15, DDEL; for JFD's phone calls relating to Indonesia see Phone calls 2 Jan.-2 March 1958 folder, and Phone Calls 1 Apr.-29 May 1958 folder, box 8, Telephone Series, Papers of John Foster Dulles, DDEL.

<sup>178</sup>Marchetti and Marks, *Cult of Intelligence*, p.40; Robert Amory interview in Hersh, *The Old Boys*, p.416.

<sup>179</sup>356th Meeting of the NSC, 20 February 1958, folder 14, box 9, NSC Series, AWF, DDEL; Smith, *Portrait of a Cold Warrior*, pp.229-230.

In a retrospective assessment of Operation HIKE, Ray Cline drew a general lesson on the difficulties of covert action. The weakness of clandestine paramilitary action is, Cline argued, that the United States is faced with the stark choice of either abandoning a cause or converting to a policy of overt military intervention once a CIA connection is prematurely revealed and an operation becomes compromised.<sup>180</sup> This is a very valid point, but it does not apply to the Indonesian campaign. Put simply, the objectives and demands of Operation HIKE went beyond what could be achieved through covert action. From the outset of the campaign the United States followed a strategy that was tantamount to overt military intervention. A complex of training and support facilities, which included the provision of air and naval bases in the Philippines, was established across the entire Pacific region. American submarines were dispatched to guard the waters around Sumatra, and naval destroyers were anchored in Singapore in a move that again drew from the Italian operation of 1948. Complete logistical and tactical air support was provided by CAT along with pilots and crews from Taiwan, and U-2 planes monitored Sukarno's military installations.<sup>181</sup>

The sheer size of HIKE was in fact its main weakness. Maintaining secrecy during the smaller-scale Operation PBSUCCESS, it will be recalled, proved impossible. In the case of Operation HIKE the Asiawide recruitment of mercenaries left the campaign open to penetration by the numerous Chinese and Soviet agents who were active in the region. There was thus considerable potential for Eisenhower's claim, that the United States was assuming a position of careful neutrality and proper deportment, to be compromised once the PERMESTA insurrection had started.<sup>182</sup> Whereas the premature exposure of PBSUCCESS worked to the advantage of the CIA, essentially because it intimidated Arbenz, Sukarno was merely warned.

Operation HIKE began in earnest on 15 February 1958, when the PERMESTA dissidents' proclamation of a new government was accompanied by Allison's

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<sup>180</sup>Cline, *Secrets, Spies and Scholars*, pp.181-183.

<sup>181</sup>Prados, *Presidents' Secret Wars*, pp.132-139; Top Secret Memorandum from Brigadier General Edward Lansdale to General Maxwell Taylor on Unconventional Warfare Resources in Southeast Asia, published in *The Pentagon Papers*, reprinted in Marchetti and Marks, *Cult of Intelligence*, pp.137-138; Jackson, *Dulles-DCI*, Vol.3, pp.108-111.

<sup>182</sup>Jackson, *Dulles-DCI*, Vol.3, pp.111-112; Prados, *Presidents' Secret Wars*, pp.139-140.

replacement as American ambassador by the less critical Howard P. Jones.<sup>183</sup> Sukarno reacted quickly and effectively, ordering the Indonesian military to immediately suppress the rebellion. Dissident radio stations were bombed out of existence, which meant an instrument that had proved vital in previous covert operations was taken out of the equation in the opening stages of the campaign. By early May, Sukarno's forces had invaded Sumatra and captured both of the key rebel strongholds of Padang and Bukittinggi, leaving what remained of the opposition under siege on Celebes Island (see appendix 11). Any hint of more active American intervention was stymied by a veiled threat from Sukarno to accept an offer from Beijing to supply extra air support and men to assist the Indonesian military.<sup>184</sup>

In short, Operation HIKE had already failed by the time that CIA pilot Allen Lawrence Pope was forced to bail out of his B-26 to be captured by Indonesian government forces on 18 May. If Pope had obeyed orders and left all incriminating evidence of his links with the CIA at home, then the United States would not have been implicated in the PERMESTA rebellion. However, to ensure that he was not executed as a stateless combatant, Pope took the precaution of flying with documents linking him to Clark Air Force base in the Philippines, transfer orders, and details of previous bombing raids on his person. Eisenhower's initial claim that Pope was a "soldier of fortune" thus proved not only futile but extremely embarrassing for the president, and Ulmer was consequently ordered by Foster Dulles to "get out fast," thus ending the CIA's largest and most ambitious covert action to date in failure.<sup>185</sup>

Operation HIKE provides a classic example of how the failure to maintain plausible deniability during a covert operation could result in the United States being subjected to blackmail. On weighing up the advantages and disadvantages of making the Pope affair and the CIA's involvement in Indonesia public, Sukarno opted for silence and extracted thirty-seven thousand tons of rice and \$1 million worth of arms from the United States as the cost.<sup>186</sup>

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<sup>183</sup>Prados, *Presidents' Secret Wars*, pp.141-143.

<sup>184</sup>Kahin and Kahin, *Subversion as Foreign Policy*, pp.167-179.

<sup>185</sup>Prados, *Presidents' Secret Wars*, p.143; Jackson, *Dulles-DCI*, Vol.3, pp.112-113; Foster Dulles to General Cabell, 19 May 1958, Tel. Calls 1 Apr.-29 May 1958 folder, box 8, Telephone Series, JFD Papers, DDEL.

<sup>186</sup>Marchetti and Marks, *Cult of Intelligence*, p.29, p.299.

## CONCLUSION

A distinguishable outline of how covert action developed and expanded during the Eisenhower years can be traced clearly through the CIA's operations in Iran, Guatemala, and Indonesia. Operation TPAJAX demonstrated that the new administration was prepared to act against a democratically-elected leader in circumstances that had led its predecessor to opt for caution. By future standards the Iranian venture was an exercise in minimalism: a small number of operatives conducted an inexpensive campaign that altered the balance of political forces sufficiently to remove Musaddiq from power.<sup>187</sup>

In the afterglow of TPAJAX the Eisenhower administration's appetite for clandestine action was whetted and the larger-scale Operation PBSUCCESS was consequently sanctioned with enthusiasm. The Guatemala coup was a defining moment in the evolution of American covert action. The capacity for the resources and expertise of the CIA to be deployed quickly and effectively was very much in evidence. Later examinations of Arbenz's ouster have concluded that the coup's immediate benefits did not compensate for the detrimental repercussions that PBSUCCESS had on the credibility of the United States in the third world, but this was not apparent to the few officials and observers who were familiar with the details at the time.<sup>188</sup> While taking preventive action in a country where American interests were deemed to be in jeopardy, the agency helped the administration to achieve two political objectives in the wider international arena and simultaneously improved Eisenhower's domestic standing.

PBSUCCESS was instrumental in lighting the fuse for a comprehensive expansion of CIA activities. In terms of covert operations, however, there was the problem that the CIA had already reached, and in fact gone beyond, the limits of what could feasibly be kept *covert* with the Guatemala campaign. Indeed, to informed observers such as James B. Reston, a respected *New York Times* reporter who made explicit reference to Allen Dulles's involvement in the Guatemala uprising even as the events were

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<sup>187</sup>Cline, *Secrets, Spies and Scholars*, p.132.

<sup>188</sup>McMahon, "Eisenhower and Third World Nationalism," 466-467.

unfolding, the American contribution to Arbenz's downfall was transparent.<sup>189</sup> so much so that PBSUCCESS might best be described as a semi-covert operation.

The Eisenhower administration as a whole and especially Foster Dulles did not take adequate account of this point in its future calculations of when and when not to utilise clandestine action. Thus, when the Guatemala blueprint was applied to the much larger and more ambitious Operation HIKE the result was failure. The principal lesson of the Indonesian debacle was clear: covert operations could not be deployed successfully in circumstances that required overt military action, nor could enterprises such as HIKE, which was to all intents and purposes a hybrid between the two. The Eisenhower administration was fortunate that it avoided the consequences of its failure to learn this lesson. President John F. Kennedy discovered this three years later when he picked up the tab, not only for his own lack of judgement but for the shortcomings of his predecessor, in the full public glare of the Bay of Pigs fiasco.

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<sup>189</sup>Gleijeses, *Shattered Hope*, p.369.

## CHAPTER 7

### FLUCTUATING FORTUNES

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The accession of John F. Kennedy to the American presidency brought with it a reaffirmation of the activist foreign policy pursued by Eisenhower. If, as William Corson suggests, the CIA hierarchy was at first uncertain about the new president's readiness to meet the rising costs of the U2, the SR-71, and their follow-on satellite systems, then these doubts were unfounded.<sup>1</sup> Determined to assert American global predominance with increased vigour, Kennedy committed himself to supporting continued agency specialisation in the sphere of technological intelligence collection. His adoption of flexible response as the guiding maxim of United States defence policy, moreover, provided the impetus for an even more comprehensive application of the CIA's covert action arm than had been exercised under Eisenhower. As well as utilising its existing capacity to engage in political action, economic operations, psychological warfare, and propaganda activities, the agency came to incorporate ever more comprehensive paramilitary capabilities as part of its *modus operandi*, working closely with the Defense Department in the process. Such measures served as necessary complements to the wider American counterinsurgency and military programmes that were being deployed on an escalating scale, most notably in Indochina.<sup>2</sup>

Kennedy, however, encountered major difficulties in his relations with the CIA: difficulties which sprang primarily from the fact that the president knew too little about, and expected too much from, the agency and the intelligence community generally. This led an ill-informed chief executive to sanction an ill-conceived covert operation, code-named JMARC, against the Castro regime at the Bay of Pigs.<sup>3</sup> A very public failure, this enterprise damaged the prestige of the Kennedy administration. The Cuba debacle also had serious repercussions for the CIA itself, in that it led the president to subject the agency's activities to comprehensive examination, with his authorisation of the Taylor Inquiry, the recommendations of which brought about the most fundamental shake-up that the CIA had yet endured: a shake-up that saw primary

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<sup>1</sup>Corson, *Armies of Ignorance*, p.381.

<sup>2</sup>*Church Report*, Bk.1, pp.115-116.

<sup>3</sup>As was pointed out in the introduction, this enterprise became known publicly by its Pentagon code-name Operation ZAPATA, but its agency cryptograph was JMARC, which is the code-name that will be used for this study.

responsibility for paramilitary covert action transferred from the agency to the Pentagon in autumn 1961, though it should be added that the Defense Department's operational role remained relatively limited through to 1963.<sup>4</sup>

A lack of presidential foresight in regard to clandestine action was apparent throughout Kennedy's tenure. Having failed once at the hands of Castro, the American president again authorised wide-ranging covert action programmes between late 1961 and 1963. Initiated from inside of the White House, these ventures were placed under the direct supervision of Robert Kennedy, who in effect took on the role of DDP during this period, at least as far as Cuban operations were concerned. Such measures did not, in fact, "embody a concept [that was] radically different from [what had already] been contemplated in the summer and fall of 1960," which had been the foundation for the Bay of Pigs invasion.<sup>5</sup> In terms of strategy deployed against Cuba, then, John Kennedy failed to communicate a distinct, feasible, and single-minded objective to the CIA or to the governmental bureaucracy as a whole. The campaign against Castro therefore "followed an uncertain trumpet."<sup>6</sup> In a more general strategic sense, Kennedy's failure to make a clear connection between means and ends led him to make an ever greater American commitment to the survival of South Vietnam, a legacy from which his successor, Lyndon B. Johnson, could not retreat. CIA fortunes thus fluctuated between 1961 and 1963 against a background of unrealistically high expectations on the part of the Executive.

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#### CAMELOT AND THE DOCTRINE OF FLEXIBLE RESPONSE

Kennedy's election in November 1960 reflected a change of political mood in the United States. Eight years of Republican rule had, for sure, delivered stability and prosperity to many in America, but the picture of Eisenhower as a "comforting symbol of consensus" presiding over a contented nation was hardly a complete one. There had, for instance, been three recessions during his tenure (1953-1954, 1957-1958, and 1960), and the sharpest of these, between 1957 and 1958, had brought an unqualified public backlash against the Republicans in the 1958 congressional and state elections. Indeed, Irving Bernstein has argued that the tranquillity that many associate with the Eisenhower era lasted for only four years, and ended during 1957 with: (1) violent racial

<sup>4</sup>Prados, *Presidents' Secret Wars*, pp.209-211.

<sup>5</sup>Bissell, *Reflections of a Cold Warrior*, p.209.

<sup>6</sup>Quote from Godson, *Dirty Tricks or Trump Cards*, p.47.

conflict at Little Rock; (2) the challenge posed by Sputnik; and (3) the 1957-1958 recession, which was the worst since World War II. Public disillusionment was, moreover, heightened as a result of Eisenhower's tendency to give priority to foreign policy issues rather than the pressing socio-economic issues that his administration faced on the domestic front during his second term.<sup>7</sup> This worked to the detriment of Richard Nixon's election prospects in 1960 in much the same way as a perceived overemphasis on foreign policy helped to ensure that George Bush failed at the polls some thirty-two years later. Nevertheless, Kennedy won by the narrowest of margins in 1960, receiving only 113,238 more votes than Nixon.<sup>8</sup>

Kennedy's election was in many respects a victory of style over substance, with his ability to exploit the media and project an aura of freshness and vitality proving decisive in the defeat of the less-charismatic Nixon.<sup>9</sup> While the prospective president's fourteen year record in Congress suggests that he was, above all other considerations, an opportunist, one subject on which he did maintain consistency whilst in the legislature was that of colonialism and his aversion to it.<sup>10</sup> This opened the way for a considerable departure in foreign policy once he took office.

Kennedy had long been critical of Foster Dulles's doctrine on neutralism, believing that it had led the Eisenhower administration to fail to make the vital distinction between third world nationalism and communism, which in turn had proven politically self-defeating for the United States. The arrival of a new administration brought with it a sharply contrasting American standpoint towards the developing world, as a retrospective overview by Kennedy's Secretary of State, Dean Rusk, later revealed: "We weren't really bothered by third world countries that refused to take sides in the Cold War." Any country that was "independent and secure," was deemed to be acting in the interests of the United States.<sup>11</sup>

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<sup>7</sup>Irving Bernsrein, *Promises Kept: John F. Kennedy's New Frontier* (New York and Oxford, 1991), pp.22-23.

<sup>8</sup>Herbert S. Parmet, *JFK: The Presidency of John F. Kennedy* (New York, 1983), p.60.

<sup>9</sup>Thomas C. Reeves, *A Question of Character: A Life of John F. Kennedy* (New York and Toronto, 1991), pp.189-201; Arthur M. Schlesinger Jr., *A Thousand Days: John F. Kennedy in the White House* (London, 1965), pp.61-62.

<sup>10</sup>Henry Fairlie, *The Kennedy Promise: The Politics of Expectation* (New York, 1973), p.76; David Burner, *John F. Kennedy and the New Generation* (Washington D.C., 1988), p.25; Reeves, *Question of Character*, pp.101-102, pp.120-121; Schlesinger, *A Thousand Days*, pp.291-293; pp.482-483.

<sup>11</sup>Dean Rusk, *As I Saw It: A Secretary of State's Memoirs* (London and New York 1991), pp.342-343.

Kennedy was convinced that in order to counter a communist movement that explicitly espoused spreading its doctrine to susceptible underdeveloped nations, the United States needed to provide the necessary political support and economic aid to create a partnership with a highly diverse third world. Under such conditions each country would develop at its own pace and on its own terms, and America would win the Cold War in the underdeveloped world by example.<sup>12</sup> The new president did not, however, rule out intervention in nonaligned countries where there was a danger of communism taking hold.<sup>13</sup> There was as well a clearly pronounced threat to which the new president was obliged to respond. Khrushchev had thrown down the gauntlet immediately prior to Kennedy taking office in a speech that hailed "the uprisings of the colonial peoples against their oppressors," promising Russian support for "anticolonialist forces" in these "wars of liberation."<sup>14</sup>

Coming as it did in the aftermath of the United States' severance of diplomatic relations with Cuba on 6 January 1961, Khrushchev's rhetoric may have been primarily designed to bolster Castro's resolve,<sup>15</sup> but Kennedy responded in an equally unequivocal manner in his State of the Union Address in March that year. The president stated that America was faced with the task of convincing the Soviet Union and China "that aggression and subversion [would] not be profitable" routes through which to pursue their expansionist ends.<sup>16</sup> Here Kennedy was, in effect, restating the same basic argument that had held sway during Truman's second term and throughout Eisenhower's entire tenure: that the United States must prevent communism from prevailing anywhere outside of the Soviet bloc and China. Failure to do so would create a perception across the globe that the United States was losing ground in the Cold War, and this in turn would constitute a victory for communism everywhere, despite the fact that the two major communist powers now had markedly different and conflicting agendas. It was with this zero-sum game logic in mind that Kennedy ordered a revision of Eisenhower's defence strategy.<sup>17</sup>

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<sup>12</sup>Gaddis, *We Now Know*, p.184; W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (first published, Cambridge, 1960, third edition, 1990), p.142, pp.164-167.

<sup>13</sup>Gaddis, *Strategies of Containment*, p.203.

<sup>14</sup>N.S. Khrushchev, "For New Victories of the World Communist Movement," *Kommunist*, Volume 1 (January, 1961): 3-37, in Stephen T. Hosmer and Thomas W. Wolfe (eds.), *Soviet Policy and Practice toward Third World Conflicts* (Toronto, 1983), p. 15.

<sup>15</sup>Georgie Anne Geyer, *Guerrilla Prince: The Untold Story of Fidel Castro* (Boston, Toronto, and London, 1991), p.267.

<sup>16</sup>*Kennedy Public Papers*, 1961: 19-28.

<sup>17</sup>Gaddis, *Strategies of Containment*, pp.201-205.

From the point of view of the Kennedy administration the New Look was severely flawed on the grounds that it placed too much reliance on the doctrine of massive retaliation.<sup>17</sup> Eisenhower had, of course, incorporated a range of other instruments, including military alliances and covert action, in order to contain communism and protect American interests, but these measures had been implemented at minimal cost, which, Kennedy maintained, had jeopardised the credibility of America's conventional forces. The risks were thereby maximised of the United States either not responding to small-scale aggression at all, or escalating such conflicts beyond their original proportions to a point where direct confrontation with the Soviet Union and resort to nuclear war beckoned. As a consequence of this policy, the argument went on, Eisenhower had failed to prevent communist advances and incursions, for instance in Tibet and Vietnam. These so-called "brushfire wars" were not, from an American point of view, regarded as being sufficiently offensive to induce the United States to risk atomic war. The result was that the boundaries of the communist world had expanded through low-level incremental advances, and Kennedy feared that if this trend continued to go unchecked it would ultimately lead to the Soviet Union and China each achieving their respective objectives through piecemeal aggression.<sup>18</sup>

On taking office, the Kennedy administration sought to remedy the drawback of having to choose between "escalation or humiliation" by replacing the New Look with a defence strategy that hinged on 'flexible response.' In brief, this doctrine recommended that the United States provide and utilise a wide and effective range of military and economic instruments in order to deter and counter all types of warfare, and convince all potential adversaries that recourse to any level of aggression would incur prohibitive costs. The nuclear threshold was, in short, to be raised in a defence strategy that hinged on a reversion to the symmetry that had characterised NSC 68.<sup>19</sup>

Kennedy, moreover, applied the unlimited resources logic of NSC 68 in finding the means to pay for this arms buildup. Only through the overall expansion of the

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<sup>17</sup>Robert McNamara, "The Military Role of Nuclear Weapons: Perceptions and Misperceptions," *Foreign Affairs*, 62 (Fall 1983): 59-80, at 63.

<sup>18</sup>Gaddis, *Strategies of Containment*, pp.214-215; Schlesinger, *A Thousand Days*, p.310.

<sup>19</sup>JFK Message to Congress, 28 March 1961, *Kennedy Public Papers*, 1961, 232; Maxwell Taylor, *The Uncertain Trumpet* (New York, 1959); Gaddis, *Strategies of Containment*, pp.214-215.

American economy, he believed, could the resources be found to meet the country's defence requirements and maintain its global position. A tax cut was therefore introduced with the intention of stimulating the economy and making the revenues available to finance the buildup without restricting growth. As with NSC 68, the principal drawback with this policy was in its potential to stimulate excessive growth and thus create inflation. Nevertheless, in following this course, the Kennedy administration did make provision for communist aggression to be matched and bettered in the area where it threatened and with means that were both proportionate and adequate to meet the challenge. A comprehensive defence strategy of this kind was also envisioned as enhancing the diplomatic muscle and thus the bargaining power of the United States.<sup>20</sup>

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In accordance with meeting the requirements of implementing the carefully calibrated defence policy prescribed in the flexible response doctrine, Kennedy and Johnson presided over a 150 percent increase in America's strategic nuclear armoury between 1961 and mid-1964.<sup>21</sup> These increases were accompanied by a concomitant 60 percent expansion in the number of low-yield battlefield nuclear weapons,<sup>22</sup> while in the sphere of conventional defence the United States Army grew from eleven to sixteen divisions in order to meet a two-and-a-half war standard: one which provided the means for the United States to fight two major wars – in Europe and Asia – and a minor war elsewhere.<sup>23</sup>

The policy was not without critics, for some argued that this emphasis on conventional force was very expensive and implied a lack of faith in the nuclear deterrent, despite

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<sup>20</sup>Selected testimony of Robert S. McNamara, "The Secretary of Defense," in *The National Security Council: Jackson Subcommittee Papers on Policy Making at the Presidential Level* – edited by Senator Henry M. Jackson (New York, 1965), pp.230-231; Burner, *A New Generation*, pp.148-149; Gaddis, *Strategies of Containment*, pp.226-227.

<sup>21</sup>Gaddis, *Strategies of Containment*, p.218.

<sup>22</sup>Martin E. Goldstein, *Arms Control and Military Preparedness from Truman to Bush* (New York, 1993), p.77.

<sup>23</sup>Alain C. Enthoven and K. Wayne Smith. *How Much Is Enough: Shaping the Defense Program, 1961-1969* (New York, 1971), p.214.

the enormous buildup in this type of weaponry and Kennedy's adherence to the principle of 'assured destruction.' However, the string of crises which took place during Kennedy's tenure in locations as far removed as Berlin, Indochina, and Cuba served only to strengthen the case that a substantial conventional military build-up was justified in order for the United States to fulfil its global interests and commitments. Indeed, the president credited the existence of usable conventional power with being instrumental in forcing the Soviet Union to remove its missiles from Cuba in 1962. In this case the two-and-a-half war standard provided ample proof that the United States could assemble a credible invasion force without reducing and thus compromising its military commitment to Europe and/or Asia.<sup>24</sup>

If, however, the United States was to seize and maintain the upper hand in a Cold War in which Khrushchev had pledged support for the 'anticolonialist' movements of the third world in their 'wars of liberation,' then something more than conventional military strength was required. To fulfil this need, the Kennedy administration implemented a number of socio-economic measures aimed at winning over the hearts and minds of those in the underdeveloped world. Applying the logic of the ERP in a third world world setting, the Kennedy administration devised a number of programmes which: (1) incorporated information and exchange projects; (2) provided assistance in the fields of educational, technological, and cultural advancement; and (3) made available economic and financial aid and advice where the need arose.<sup>25</sup>

This new approach was exemplified with the creation of the Peace Corps in 1961, which dispatched young Americans to the third world to foster greater understanding and empathy between the United States and the host country and thereby promote democracy.<sup>26</sup> Also significant was the Agency for International Development (AID), which was charged with the task of altering the emphasis in foreign aid from military to economic programmes, especially in the countries of SEATO and CENTO, both of which were judged by the Kennedy administration to have performed less than effectively as military alliances.<sup>27</sup>

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<sup>24</sup>JFK State of the Union Address, 14 January 1963, *Kennedy Public Papers*, 1963, 18.

<sup>25</sup>Gaddis, *Strategies of Containment*, p.217, pp.223-225.

<sup>26</sup>Richard Reeves, *President Kennedy: Profile of Power* (New York, 1993), p.69.

<sup>27</sup>Gaddis, *Strategies of Containment*, pp.223-225; Schlesinger, *A Thousand Days*, pp.497-498.

Other measures and projects introduced by Kennedy applied to specific regions, most notably the Alliance for Progress, which was inaugurated in March 1961 and formalised during the following August at the Punta del Este Economic Conference in Uruguay. Here the United States agreed to provide a \$20 billion economic development package. In return, the leaders of the Latin American nations involved in the programme pledged to undertake socio-economic reforms in order to create a more equitable political climate and thereby foster democracy.<sup>28</sup> Though the groundwork for the Alliance for Progress was laid during the late-1950s by Milton Eisenhower, who functioned as his brother's personal representative to Latin America, and the then Under Secretary of State, Douglas Dillon, the programme fitted comfortably, in theory if not in practice, with Kennedy's drive to immunise the third world against communism.<sup>29</sup> Along with the other measures highlighted, it amounted to counterinsurgency in a velvet glove and it leapt straight out of the pages of *The Ugly American*.<sup>30</sup>

If the Kennedy administration intended to promote the growth of prosperity and democracy in the third world through socio-economic measures, then the strengthening of American potential to deploy military counterinsurgency tactics was regarded as an essential complement to this.<sup>31</sup> Believing that the Eisenhower administration had been misguided in assuming that "conventional forces could stop unconventional attacks" in theatres such as Indochina, Kennedy placed great emphasis on increasing the United States capacity to conduct counterinsurgency warfare.<sup>32</sup> Such means were, the president believed, crucial if popular support and confidence was to be won and sustained in those underdeveloped countries that faced the threat of communist aggression. Consequently, Kennedy authorised a \$19 million budget augmentation, under the stipulations of his second National Security Memorandum, to train an extra three thousand elite special forces in unconventional warfare and counterinsurgency techniques.<sup>33</sup> Referred to as the 'green berets' because of their distinctive headgear,

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<sup>28</sup>Rabe, *Eisenhower and Latin America*, pp.149-150.

<sup>29</sup>Rusk, *As I Saw It*, pp.347-348.

<sup>30</sup>William J. Lederer and Eugene Burdick, *The Ugly American: A Novel: with a factual epilogue* (London, 1959)

<sup>31</sup>Rostow to Sorensen, 16 Mar. 1961, folder 6, box 324, NSC/Meetings and Memos., JFKL.

<sup>32</sup>Theodore Sorensen, *The Kennedy Legacy* (London, 1969), p.186.

<sup>33</sup>Reeves, *President Kennedy*, p.69.

these troops were coached in the intricacies of jungle warfare at Fort Bragg and in the Canal Zone. From here they were dispatched to regions such as Indochina as part of a symmetrical American response to communist challenges here and elsewhere.

It was in combination with these counterinsurgency provisions, both military and non-military, that CIA covert action was most demonstrably deployed as an instrument of foreign policy during Kennedy's tenure. This was evident from the president's preparedness to sanction a wide range of clandestine programmes that spanned from offensive/preventive campaigns against Castro's Cuba, to the defensive ventures that the agency conducted in Laos and Vietnam. Even more so than during the Eisenhower presidency, the CIA functioned as the "cold war arm of the U.S. government."<sup>34</sup> Moreover, the agency performed this role at a time when superpower relations were under unprecedented strain.

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#### **THE BIG PICTURE, 1961-1963: ESCALATING SUPERPOWER TENSIONS**

In the broadest of terms, the years 1961 to 1963 brought an intensification of the Cold War, which primarily came about as the consequence of a power struggle within the Soviet hierarchy. In essence, Khrushchev's effort to decrease military expenditure and promote a more consumer oriented Soviet economy was drawing the fire of hard-liners, who sought to expand the Kremlin's already deep commitment to the military. The comprehensive American arms buildup authorised by Kennedy did nothing to strengthen Khrushchev's case. At the same time, the Soviet leader drew comfort from what he saw as Kennedy's failure to act decisively during the Bay of Pigs operation. Khrushchev henceforth seized on any opportunity that arose to exploit what he perceived to be the weaknesses of the American president in order to win bloodless Cold War victories. A climate of escalating tension thus took hold, firstly over the status of Berlin during July and August of 1961, and secondly during the Cuban missile crisis of October 1962. The Russian leader's logic was that success in such endeavours would enhance the global standing of the Soviet Union and, crucially, would silence his domestic critics and rivals on grounds that Russian objectives would

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<sup>34</sup>Smith, *Cold Warrior*, pp.53-54.

have been achieved without an expansion of the guns-not-butter economy that the Soviet leader so hoped to reform.<sup>35</sup>

Competition with the United States was not, however, the only consideration faced by Khrushchev. Over the 1950s the relationship between the Soviet Union and China had deteriorated from one of co-operation in the final years of Stalin's rule, to distrust during the middle fifties, and outright suspicion at the end of the decade. By 1961 the Sino-Soviet split was emerging as a major factor in international politics, as each of the two leading communist powers laid exclusive claim to the title of champion of the world's leftist revolutionary movements.

Indeed, Khrushchev's pledge of support for the forces of revolution in their "wars of national liberation" was gauged by many to be geared primarily towards beating off the Chinese challenge in the contest for the affections of the third world, rather than throwing down the gauntlet to the United States.<sup>36</sup> Such motivations were also evident during the Bay of Pigs invasion, when the Russian leader announced that "Cuba is not alone" and implied that the Soviet Union might make a retaliatory move, possibly in Berlin or Laos.<sup>37</sup> The underlying message in Khrushchev's rhetoric here was that the Soviet Union strongly advocated self-determination in the third world and was, furthermore, the *only* power with both the means and the will to counter the attempts of reactionary and imperialistic American aggressors to reverse this trend in world affairs.

Despite the emergence of China as a power in its own right with distinct interests and aims, however, the international stage continued to be dominated by the conflict between Washington and Moscow throughout the early 1960s. Indeed, the Kennedy administration remained convinced that the United States was confronted by a communist monolith, largely overlooking the ever-widening chasm in Sino-Soviet relations.<sup>38</sup> American and Russian objectives and concerns mirrored one another

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<sup>35</sup>Sergei Khrushchev, *Khrushchev on Khrushchev: An Inside Account of the Man and His Era* – edited and translated by William Taubman (Boston, Toronto, and London, 1990), pp.26-31; Burner, *A New Generation*, p.75.

<sup>36</sup>Schlesinger, *A Thousand Days*, p.275.

<sup>37</sup>*ibid*, p.249.

<sup>38</sup>Mark J. White, *The Cuban Missile Crisis* (Basingstoke and London, 1996), pp.30-31.

during the period, as each superpower's desire to enhance its global standing was matched by a fear of losing face to the advantage of its principal adversary. The desire by Khrushchev and Kennedy to test each other's mettle served as an additional and important variable in this heightening of the Cold War conflict. As each leader attempted to ascertain his counterpart's strengths and weaknesses so an atmosphere of tension was first created then compounded through a series of crises that have left many to characterise the years 1961 to 1963 as the most dangerous period of the Cold War.<sup>39</sup>

For its part, the CIA played an instrumental role in each of the major crises that confronted the Kennedy administration. The ill-conceived Bay of Pigs operation saw the agency take action that proved detrimental to the interests of the United States and raised questions about the character of the president himself. In contrast, the CIA procured invaluable information from its highest placed penetration agent, Colonel Oleg Penkovsky, the deputy head of the foreign section of Soviet Military Intelligence (GRU), during the Berlin crisis, who confirmed that Khrushchev's belligerent statements on the city's status were "all bluff."<sup>40</sup> This strengthened Kennedy's hand during the dispute and paved the way to a resolution of the crisis that permitted the Soviet Union to prevent the haemorrhaging of skilled East Germans to the West by sealing off East Berlin, while the United States gave firm guarantees of its commitment to the security of the western sector – guarantees that were backed up by a largely symbolic move that found Kennedy bolstering the American military presence in West Berlin. During the Cuban missile crisis, the CIA again provided vital information through U-2 overflights and HUMINT (intelligence derived from human sources) which helped to enable Kennedy to finally prevail over Khrushchev in the battle of wills that had characterised the previous twenty-two months.<sup>41</sup> Wider international events, then, ensured that agency fortunes were on something of a rollercoaster during the Kennedy period. These years also brought important changes in the management

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<sup>39</sup>Michael R. Beschloss, *Kennedy v Khrushchev: The Crisis Years, 1960-1963* (London, 1991).

<sup>40</sup>Andrew, *For the President's Eyes Only*, p.268.

<sup>41</sup>Laurence Chang and Peter Kornbluh (eds.), *The Cuban Missile Crisis, 1962: A National Security Archive Documents Reader* (Washington D.C., 1992); Ernest R. May and Philip D. Zelikow, *The Kennedy Tapes: Inside the White House During the Cuban Missile Crisis* (Cambridge, Mass, and London, 1997); Mary C. McAuliffe (ed.), *CIA Documents on the Cuban Missile Crisis, 1962* (Washington D.C., 1992).

and structuring of the CIA. Such factors had an enormous bearing on how the agency developed and was deployed between 1961 and 1963.

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#### THE CIA, 1961-1963: ROLLERCOASTER YEARS

It has been argued by one prominent intelligence writer that "at the outset of the Kennedy administration, no compelling incentives existed to stimulate reform in the intelligence system."<sup>42</sup> This is not entirely accurate. Kennedy did, to an extent, pursue a strategy of continuity and reassurance towards the intelligence community as a whole. His announcement in November 1960 that Dulles and Hoover would be retained in their respective positions at the CIA and the FBI is evidence of this.<sup>43</sup> The new incumbent in the White House was, nevertheless, driven by a determination to instil what has been aptly described as a "muscular laissez faire" ethos into his administration. The design and execution of policy needed to acquire, Kennedy insisted, a sense of activism, urgency, and vigour that he had criticised as having been lacking during the Eisenhower years.<sup>44</sup> Consequently, the new president: (1) downgraded the NSC, on the grounds that it was overly formal, and incompatible with the style of leadership he intended to pursue; (2) abolished, in February 1961, the OCB, through which the NSC had carried out its responsibility to co-ordinate clandestine action projects; and (3) disestablished – also in February 1961 – the PBCFIA, which was initially created five years earlier to offset Mansfield's campaign to strengthen congressional oversight and which served, at least in theory, as a watchdog group, pointing out the potential risks associated with those covert operations that were under consideration.<sup>45</sup>

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<sup>42</sup>Harry Howe Ransom, "Secret Intelligence in the United States, 1947-1982: The CIA's Search for Legitimacy," in Christopher Andrew and David Dilks, (eds.), *The Missing Dimension: Governments and Intelligence Communities in the Twentieth Century* (Urbana, Illinois, 1991), p.210.

<sup>43</sup>Schlesinger, *A Thousand Days*, p.113.

<sup>44</sup>Ranelagh, *The Agency*, pp.350-352, quote on p.351.

<sup>45</sup>Sorensen, *Kennedy Legacy*, pp.247-248; Corson, *Armies of Ignorance*, pp.381-382; Powers, *Man Who Kept the Secrets*, p.134; *Church Report*, Bk.1, p.117.

In a general sense, Kennedy's view of the NSC was accurate. When faced with crucial foreign policy issues, Eisenhower had tended to retire to the confines of the Oval Office in the company of his most trusted colleagues and seek solutions without reference to the rather bloated NSC. In particular relation to the management of the CIA, however, the NSC had been the fulcrum between policy and intelligence, and a very necessary instrument of the invisible government. Eisenhower was very adept in the exercise of power, both as a soldier and a politician. He would instruct his subordinates to develop a wide range of plans to deal with any given issue. With the optimum number of contingencies at his disposal, the president was well-placed to select the best possible course of action at the most opportune time. To accommodate this style of leadership, Eisenhower organised the NSC, and by association the OCB, on a modified military staff concept to ensure that all points of view were considered in the decision-making process governing covert operations.<sup>46</sup> For its part, the PBCFIA functioned as an extra fail-safe device if and when its services were required.

Kennedy's decision to either ignore or to terminate these consultatory and advisory provisions through which his predecessor had exercised control over the CIA was an impetuous and ill-judged move. What little experience the new president had of intelligence was restricted to a brief and undistinguished period with the ONI during World War II.<sup>47</sup> He was, to all intents and purposes, ignorant of the machinations of peacetime intelligence. Yet Kennedy did not hesitate to remove the safeguards that Eisenhower, who had vast experience of the pitfalls of engaging in covert action, felt it necessary to maintain. Moreover, this was done in one fell swoop within a month of Kennedy's accession to power, while he simultaneously decided to retain the Special Group: a clear indication of his desire to continue the practice, started by Eisenhower, of involving the White House closely in the management of the CIA's covert action activities.<sup>48</sup>

Looked at from this perspective, impetus for change did exist from the outset of the Kennedy administration, and it was change that gave rise to the Bay of Pigs debacle. Indeed, the Taylor Commission, which Kennedy launched after the failure of JMARC,

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<sup>46</sup>Corson, *Armies of Ignorance*, p.382.

<sup>47</sup>Nigel Hamilton, *JFK: Restless Youth* (London, 1992), pp.407-409; Andrew, *For the President's Eyes Only*, p.257.

<sup>48</sup>Karalekas, *History of the CIA*, pp.67-71.

made this point abundantly clear when it reported in June 1961: the Bay of Pigs disaster occurred at least in part, Taylor maintained, because Kennedy had destroyed the only institutional decision-making bodies – the OCB and the PBCFIA – which might have had sufficient weight to contradict the president.<sup>49</sup> In addition, Kennedy discovered to his regret that in removing these advisory structures he limited the potential scapegoats, in the event of an operation going wrong, to the White House and the CIA. The president, of course, shouldered the blame for JMARC, reflecting very eloquently that "victory has a thousand fathers and defeat is an orphan," but, as Jeffreys-Jones has so shrewdly observed, "in adopting the orphan so conspicuously, Kennedy fuelled speculation about the real paternity of the Bay of Pigs fiasco."<sup>50</sup> The ultimate scapegoat was in fact the hierarchy of the CIA and not the president.

A major drawback in tracing the evolution of the CIA during the Kennedy period is that the Bay of Pigs venture and its immediate effects tend to overshadow the fact that concurrent developments and events also signalled the need for a revision of the way the agency was managed. To begin with, the approval procedures for covert action had, by the time Kennedy took office, become more lax than in the previous decade. During the 1950s responsibility within the agency for the sanctioning of clandestine action was restricted to the Deputy Director of Plans, his assistant, and the DCI himself. CIA covert operations had, however, proliferated to such an extent by 1960 that the delegation of approval authority became a bureaucratic necessity. Two or possibly three individuals simply could not make competent and efficient judgements on the multitude of ventures that were proposed. A graduated approval process therefore began to operate in the DDP from about 1960, whereby station chiefs and division chiefs were authorised to approve those projects that were deemed to be of low cost and risk. More sensitive proposals continued to be referred to the agency hierarchy.<sup>51</sup>

It was argued in the Church Report that the extent to which these procedural changes "affected the number and nature of projects [was] unclear."<sup>52</sup> Nevertheless, the very fact that operations were allowed to proliferate to such a scale that responsibility for

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<sup>49</sup>Powers, *Man Who Kept the Secrets*, p.134.

<sup>50</sup>Jeffreys-Jones, *CIA and American Democracy*, p.127.

<sup>51</sup>Karalekas, *History of the CIA*, p.67.

<sup>52</sup>*ibid.*

their approval was dependent on more officials, and lower ranking ones at that, heightened the potential for an operation that ran contrary to American policy objectives to be sanctioned. Furthermore, the danger of a project that was not in the interests of medium to long-term American policy being authorised, even at the most senior level, was especially pronounced during periods of transition from one administration to another, when exact policy positions were not always easy to ascertain. The differing positions of Eisenhower and Kennedy towards the Congo stand as a case in point.

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### **TO KILL OR NOT TO KILL? EISENHOWER, KENNEDY, AND THE TURBULENT CONGOLESE EX-PRIME MINISTER**

Difficulties in the Congo began when the country gained its independence from Belgium on 30 June 1960. Brussels assumed that, regardless of the Congo's new status, it would continue to depend on Belgian political and economic know-how, for the local population was not sufficiently well-educated to take control of its own affairs. It was reasoned that this was the most satisfactory way for Belgium to maintain its near monopoly control over the Congo's resources. If the former colonial masters intended to pick the Congo's fruits without having the responsibility for owning the orchard, then the plan backfired. In July 1960, elements of the Congolese army mutinied and in the process significant numbers of European settlers were killed, thus provoking Brussels to dispatch a regiment of paratroops to restore and maintain order. In response, the Congolese President, Joseph Kasavubu and his Prime Minister, Patrice Lumumba – the leading power-broker in the country – asked for and received a multinational force from the UN to assist peacefully in the eviction of the Belgians.<sup>53</sup>

Eisenhower's initial approach to the Congolese problem was focused on keeping the Soviet Union out of the dispute. It was, in fact, the American president who advised Lumumba to seek UN assistance, reasoning that the deployment of a multinational force was the surest way to prevent Russian involvement. Events moved very rapidly,

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<sup>53</sup>Memo. for Ralph A. Duncan, the White House, from L. D. Battle, Executive Secretariat, Department of State, 9 March 1961, "Analytical Chronology of the Congo Crisis," pp. 1-9, NSF/ Countries, box 27, JFKL.

however, and while the UN force was in transit, the Belgians orchestrated the secession of the Congo's richest province, Katanga, under the leadership of Moise Tshombe.<sup>54</sup> Lumumba responded by requesting military aid from the United States to regain Katanga, and when this was not forthcoming he turned to the Kremlin, which airlifted a contingent of trucks and small arms. The situation deteriorated considerably in August 1960, when Lumumba joined Khrushchev in calling for the UN peacekeepers to leave.<sup>55</sup> This led Eisenhower to conclude that Lumumba was an irrational demagogue whose courtship with the Soviet Union would open the way for a communist take-over in the Congo, and provide a base from where Russian influence would spread throughout Africa. Lumumba would have to be removed, and the 5412 Committee "did not rule out any particular kind of activity" which might contribute to this objective.<sup>56</sup> In short, the Congolese prime minister was to be assassinated.

Records relating to the American assassination plot against Lumumba are sprinkled with bureaucratic euphemisms and are generally vague and ambiguous in their content. The concept of plausible deniability and the protection of the integrity of the president dictated that this should be the case. What is, however, clear is that Dulles cabled Lawrence Devlin, the CIA station chief in the Congolese capital, Leopoldville, on 26 August, requesting in the strongest of terms that Lumumba be removed as a matter of urgency.<sup>57</sup> Ten days later, Lumumba was dismissed from his post by Kasavubu. Whether this came about through American pressure or because Kasavubu opposed Lumumba's plan to terminate the UN presence is hard to tell, but certainly the Eisenhower administration continued to look on Lumumba as a serious threat. On 21 September, Dulles suggested at an NSC meeting that the former Congolese prime minister be "disposed of," and at about this time the DDP's Science Advisor, Dr.

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<sup>54</sup>*ibid*, pp.9-21; Discussion at the 456th Meeting of the NSC (18 Aug 1960), 25 Aug. 1960, folder 9, box 13, Policy Paper Subseries, NSC Series, AWF, DDEL.

<sup>55</sup>"Analytical Chronology of the Congo Crisis," pp.22-29.

<sup>56</sup>Church Committee, *Alleged Assassination Plots*, pp.13-16, quote p.15.

<sup>57</sup>*ibid*, pp.19-22. All of the key operatives involved in the Congo affair are referred to by their pseudonyms in the Church Committee inquiry but their true identities are unmasked in Ranelagh, *The Agency*, pp.339-344; Grose, *Gentleman Spy*, pp.501-504; Prados, *Presidents' Secret Wars*, pp.233-235. Thus, real names rather than aliases are used in this treatment.

Sidney Gottlieb, was asked by Bissell to prepare a biological toxin that would kill Lumumba.<sup>58</sup>

Accounts differ on the subject of Lumumba's eventual murder. A State Department chronology of the Congo crisis implies that events ran ahead of the CIA's plans. General Joseph Mobutu seized power and kidnapped Lumumba, who had placed himself in the custody of the UN when the coup first took place. The former prime minister was then flown to Elisabethville in Katanga, where he was murdered within hours of his arrival (see appendix 12).<sup>59</sup> Prados offers a more insightful version of the circumstances surrounding and leading up to Lumumba's death. Here, the CIA is alleged to have provided the Mobutu camp with surveillance reports that proved instrumental in Lumumba's capture, a point that runs contrary to the Church Report's conclusion that the agency's plotting ultimately proved irrelevant in the final outcome of the Congolese crisis. There is, however, a good deal of evidence to support Prados's claim and indeed to expand on the line of argument he pursues.

The killing of Lumumba with biological poison was dependent on the CIA gaining access to such personal possessions as his toothbrush, or to his food. The record makes it clear that neither Devlin nor any other agency-controlled operative came close to achieving this objective.<sup>60</sup> It would, moreover, have been optimistic in the extreme for the CIA and the American government to have placed all their hopes on such a far-fetched plot. It was therefore in the interests of the United States to prepare an alternative plan, especially in light of the fact that the Congo boasted significant deposits of uranium and Lumumba remained a powerful force whether inside or outside of government who, at least in the view of Eisenhower, was fast becoming a client of the Soviet Union.<sup>61</sup>

Most of the CIA's major offensive covert operations had hinged on the agency producing an indigenous leader, who would act as the focus for attracting and inciting

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<sup>58</sup>Church Committee, *Alleged Assassination Plots*, p.19-24; Ranelagh, *The Agency*, p.343.

<sup>59</sup>"Analytical Chronology of Congo Crisis," pp.29-44.

<sup>60</sup>Prados, *Presidents' Secret Wars*, p.235; Church Committee, *Alleged Assassination Plots*, p.59.

<sup>61</sup>The Congo's wealth in raw materials is cited by Richard Bissell as a key reason for action being taken against Lumumba. The country provided 75% of America's cobalt as well as significant supplies of tantalum, bauxite, iron, manganese, zinc, and gold. See Bissell, *Reflections of a Cold Warrior* p.142.

popular feeling in the host country and would serve as a front for the agency's activities. If the same criteria had been applied to the Congo, then the CIA would have needed to find someone other than Tshombe to lead the takeover of the country. The United States, after all, supported UN policy, which was aimed at making every effort to ensure that the Congo remained a whole entity.<sup>62</sup> Not only was Tshombe in the pocket of the Belgians, he was seeking to bring about the partition of the Congo, all of which precluded him from being selected as the candidate to lead a wholesale takeover of the country.<sup>63</sup> Mobutu, on the other hand, was a military man, who emerged from the shadows in a similar fashion to the way Zahedi and Castillo Armas had done.

It is significant that when Devlin, recognising that the murder of Lumumba would be a delicate and time-consuming enterprise, requested that a case officer be dispatched from Washington to Leopoldville to supervise the proceedings, Bissell sent Justin O'Donnell. O'Donnell was head of an operations unit in the DDP, but he was opposed to the practice of assassination in peacetime. Though he travelled to Leopoldville, O'Donnell made it clear that he would not take part in the poisoning of Lumumba: all of which begs the question why he, O'Donnell, was employed by the DDP in the first place and then sent on a mission that he regarded as unethical. O'Donnell was, however, prepared to ensure that Lumumba was delivered from the security of the UN into the hands of Mobutu.<sup>64</sup> This was tantamount to an act of murder anyhow, but it was also consistent with two orders that were cabled from Washington to Leopoldville in the space of one day in October 1960. The first was directed to the ambassador, his political staff, and the CIA, and it specified that the "immobilisation" of Lumumba was desirable but should be an exclusively Congolese effort. The second cable was delivered to Devlin and stipulated that it remained a matter of the "highest priority" that the CIA rid Eisenhower of a turbulent Congolese ex-prime minister.<sup>65</sup>

Taken together, all of these factors suggest that the DDP developed not one but two plans for the execution of its target in the Congo. When it became obvious that the poisoning of Lumumba with Gottlieb's biological toxin was impractical, the agency

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<sup>62</sup>Discussion at the 456th Meeting of the NSC (18 Aug 1960), 25 Aug. 1960, folder 9, box 13, Policy Paper Subseries, NSC Series, AWF, DDEL; "Analytical Chronology of the Congo Crisis," pp.50-60.

<sup>63</sup>"Analytical Chronology of the Congo Crisis," pp.50-60.

<sup>64</sup>Church Committee, *Alleged Assassination Plots*, pp.38-39.

<sup>65</sup>*ibid*, p.31.

adopted a second plan. This was aimed at supporting Mobutu as the prime candidate to take over control of the Congo – which came about ultimately in 1965 – and making sure that he was provided with the opportunity to eliminate Lumumba in an act that has since been interpreted as the consequence of tribal rivalry.

The most important aspect of the Congolese operation, however, was that it culminated during a period when it was far from certain that the CIA was acting even in the short-term interests of American policy. Whether Lumumba was kidnapped or escaped from the UN remains a matter of conjecture.<sup>66</sup> A retrospective analysis suggests that it was not to his advantage to wilfully leave the safe haven of UN custody where he had, after all, *placed himself* after Mobutu had seized power. The crucial point is that the government of the United States was in a period of transition when Lumumba went absent from the protection of the UN on 27 November, to be taken captive by Mobutu some three days later.<sup>67</sup> However great the CIA's involvement was in the affair, the agency was serving the policy of the outgoing Eisenhower administration, which had been accused by Kennedy during the 1960 election campaign of subverting genuine independence in the Congo. Kennedy was, it is true, informed by Dulles of developments in the Congo whilst a candidate and as president-elect, but these briefings amounted only to general policy overviews. The DCI did not, as far as records show, reveal any operational details to a prospective president whose approach to Congolese problems was very different from Eisenhower's.<sup>68</sup>

In brief, Kennedy's projected policy anticipated that the United States would align itself with popular feeling in the Congo and stipulated that: (1) the UN presence in the Congo was to be strengthened; (2) efforts to evict the Belgians were to be stepped up; and (3) all of the major Congolese political players were to be encouraged to form a national coalition in the interests of promoting self-determination. The success of the plan was, to a significant extent, dependent on Mobutu ending Lumumba's incarceration, and despite the fact that Kennedy had been uncomfortable with the ex-

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<sup>66</sup>Ambrose argues that a kidnapping took place, see *Eisenhower: The President*, p.588; Ranelagh maintains, rather ambiguously that Lumumba "broke away from UN custody," in *The Agency*, p.344; Grose sits on the fence stating that "the exact circumstances surrounding [Lumumba's] death have never been clarified," in *Gentleman Spy*, p.504.

<sup>67</sup>"Analytical Chronology of the Congo Crisis," pp.60-73.

<sup>68</sup>Helgeson, *Getting to Know the President*, pp.52-53.

prime minister's flirtation with the Kremlin, efforts were made by prospective members of the incoming Democratic administration to bring this about.<sup>69</sup> The murder of Lumumba just five days before Kennedy's inauguration impeded the plan that the new president had devised: a plan which in its essence was aimed at countering communism in the third world, and a plan which, to a greater or lesser extent, had been scuttled by the clandestine activities of the CIA.

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#### **TINKERING AT THE EDGES: THE CONSEQUENCES OF THE TAYLOR INQUIRY FINDINGS**

If the outcome of the Congolese crisis signalled that communication between outgoing and incoming administrations regarding intelligence should be improved, and that there was an underlying need for greater executive control over the CIA, then the points were lost on Kennedy. The president's relationship with the agency was very good between January and April 1961. This might partly be explained by the fact that CIA officials had conducted a psychological profile on Kennedy before he came to office. Dulles and his agency colleagues were consequently able to exploit the new president's vanity, thereby diminishing his desire to ask searching questions about the agency and its activities.<sup>70</sup> Only after the upheaval of the Bay of Pigs fiasco was Kennedy prompted into ordering General Maxwell Taylor to make a reexamination of the intelligence community generally and the DDP in particular. Fundamental as the Taylor Committee's inquiry was, however, its overriding recommendations were that the CIA's covert action mission be improved rather than cut back, but that the doctrine of plausible deniability be more stringently adhered to.<sup>71</sup>

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<sup>69</sup>Ranelagh, *The Agency*, p.244; Burner, *New Generation*, p.83; Richard D. Mahoney, *JFK: Ordeal in Africa* (New York, 1983) pp.37-38, pp. 246-247; Zaki Laïdi, *The Superpowers and Africa: The Constraints of a Rivalry, 1960-1990*, translated by Patricia Baudoin, (Chicago and London, 1990) pp.13-16.

<sup>70</sup>Corson, *Armies of Ignorance*, pp.31-32.

<sup>71</sup>*Operation Zapata: The "Ultrasensitive" Report and Testimony of the Board of Enquiry on the Bay of Pigs* – with an introduction by Luis Aguilar (Frederick, Md., 1981); Marchetti and Marks, *CIA and the Cult of Intelligence*, p.30.

The amalgamation of secret intelligence gathering and covert operational functions under the umbrella of the CIA had always been a source of friction within the agency and a cause of concern outside of it. Yet rather than looking into the dysfunctional implications of pairing these two disparate missions and recommending improvements, the Taylor Committee merely reiterated the findings of the 1949 Dulles-Correa-Jackson report. It was to be business as usual. Spies and operators would continue to work together in a single organisation and covert operations would proceed with if anything greater vigour than had been the case during Eisenhower's tenure.<sup>72</sup>

At the same time, Kennedy determined that the necessary provisions would be established for his administration to maintain greater control of, and be better informed by, the intelligence community. To this end he reconstituted the PBCFIA as the President's Foreign Intelligence Advisory Board (PFIAB) in May 1961. Whereas Eisenhower consulted infrequently with the PBCFIA, however, Kennedy sought to put the theory devised under his predecessor, that envisaged this deliberative body as playing a constructive role in advising the president on intelligence matters, into practice.<sup>73</sup>

Kennedy also sought to provide for more focused planning and authorisation procedures for covert operations. To this end he split the Special Group into three separate committees. The Special Group (5412), which was headed by Taylor and also comprised Kennedy's principal national security adviser, McGeorge Bundy, the Deputy Secretaries of State and Defense, the chairman of the JCS, and the DCI, continued to oversee the intelligence community's general clandestine action effort. With the addition of Robert Kennedy, the same individuals formed the Special Group (Counterinsurgency) or CI group, the attention of which was directed at managing unconventional warfare in Southeast Asia. A further transformation took place when the directors of the United States Information Agency (USIA) and AID were added to the CI membership and the Special Group (Augmented) was created. This grouping directed and coordinated the clandestine action offensive that Kennedy was to wage against Cuba for the remainder of his presidency.<sup>74</sup>

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<sup>72</sup>Rositzke, "America's Secret Operations," 344; Jeffreys-Jones, *CIA and American Democracy*, pp.129-130.

<sup>73</sup>Corson, *Armies of Ignorance*, p.386; *Church Report*, Bk.1, p.114

<sup>74</sup>Schlesinger, *Robert Kennedy*, p.477; Karalekas, *History of the CIA*, pp.67-71.

This reorganisation of CIA administrative procedures governing covert action reflected Kennedy's determination to make the agency work effectively under his own supervision. It also indicated the operational functions and techniques that he wished to prioritise. Of all the CIA's directorates, the DDP dominated the agency in terms of manpower and funding during the Kennedy years in much the same way as it had done in the 1950s. Within the DDP, however, paramilitary operations came into the ascendancy over political action projects and psychological warfare. In essence, clandestine action, particularly unconventional warfare, was viewed by Kennedy as both essential and justified against the backdrop of international tension that characterised his period in power.<sup>75</sup>

Covert action projects were therefore stepped up anywhere and everywhere that a tangible communist threat was perceived to exist. In Africa, for example, the Kennedy administration devised policy and strategy on the assumption that the continent's newly emerging nations were susceptible to political encroachments by the Russians. This had led the CIA to establish an African Division – as distinct from the European and Middle East Divisions which had previously shared responsibility for Africa – in 1960. The Church Report revealed that between 1960 and 1963, the number of CIA stations in Africa increased by 55.5 percent.<sup>76</sup> What lies behind this statistic is the fact that this period saw Africa become a major Cold War battleground on which, for instance, opposing Cuban mercenaries in the respective employ of the United States and the Soviet Union engaged in an open gun battle on a stretch of Lake Tanganyika within the Congolese border.<sup>77</sup>

The Congo was regarded as one of the "four crisis areas" that the White House faced at the outset of the Kennedy presidency. The other countries mentioned were Cuba, Laos, and Vietnam.<sup>78</sup> Though Kennedy regarded Indochina as being of secondary importance to Cuba, covert action programmes were carried out in Laos and Vietnam, with the aim of reinforcing the general American counterinsurgency effort. Offensive operations against North Vietnam were also conducted from the autumn of 1961 under

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<sup>75</sup>*ibid*; *Church Report*, Bk.1, pp.119-120.

<sup>76</sup>Karalekas, *History of the CIA*, p.68.

<sup>77</sup>Powers, "The Truth About the CIA," 49.

<sup>78</sup>Memo. from Rostow to Bundy, 30 Jan. 1961, *FRUS 1961-63* Vol.1:19.

the command of William Colby, but these were focused primarily on complementing the defensive measures that were being implemented in the south rather than seriously challenging Ho Chi Minh.<sup>79</sup> It has been argued that senior administration and CIA officials deliberately attempted to engage Kennedy's interest in Southeast Asia as a means of distracting the president from his dissatisfaction with the slow progress of his continuing efforts to unseat Castro.<sup>80</sup> Looked at in retrospect, however, the scope of the political action, psychological warfare, and paramilitary programmes that the CIA carried out in Vietnam and Laos between 1961 and 1963, escalated in a trend that paralleled the growing American commitment to Indochina.

The CIA's activities in Cuba and Southeast Asia are instructive in themselves and also in what they reveal about Kennedy's management of the agency. What the president in essence did after the shake-up which followed the failure of JMARC was to split control of the CIA. Responsibility for the covert action mission was concentrated in the hands of Taylor, Robert Kennedy, and Bundy. Coordination of the Cuban and Southeast Asia programmes was then passed down through a chain of command that saw Lansdale bypassing the DCI, John McCone, and dealing directly with CIA station chiefs and DDP operatives.<sup>81</sup>

Such fundamental change in the agency's command and control provisions may have arisen partly in response to pressure from below which came to light as a result of the CIA's move to a new headquarters at Langley, Virginia in autumn 1961. Rositzke claims that concerns were raised in the DDP that the concentration of control of all of the agency's missions in one location was a bad move. Too many people, it was argued, would inevitably come to know more than they needed to know. This would lead to the breakdown of the compartmentalisation that the DDP regarded as crucial for the protection of agent sources and the maintenance of secrecy. The clandestine service therefore argued that it should operate as an elite service quite separate from the rest of the agency.<sup>82</sup> Though this proposal was rejected, Kennedy's strategy went some way to allaying DDP fears, because much of the management and coordination

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<sup>79</sup>Duiker, *US Containment in Indochina*, pp.249-308; Colby and Forbath, *Honourable Men*, pp.172-179.

<sup>80</sup>Corson, *Armies of Ignorance*, p.399.

<sup>81</sup>Ranelagh, *The Agency*, p.415.

<sup>82</sup>Rositzke, "America's Secret Operations," 347

of the Cuban and Southeast Asia programmes took place away from Langley, usually in what had formerly been the Map Room of the White House.<sup>83</sup> The most fundamental development arising from Kennedy's administrative changes was, however, the reorientation of the DCI's role. While McCone served as a member on all of the Special Group committees, his authority in the sanctioning and management of covert operations was greatly reduced in comparison with what had been the case during Dulles's time.

Dulles was, of course, sacrificed as a consequence of the Bay of Pigs debacle, along with his DDCI, General Charles P. Cabell, the DDP Richard Bissell, and the DDI Robert Amory.<sup>84</sup> This changing of the guard in the hierarchy of the CIA led to a radical shift in the functional priorities within the agency, which began with the appointment of McCone as Dulles's successor in November 1961.

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#### **THE DIRECTORSHIP OF JOHN McCONE**

John McCone was not Kennedy's first choice for the CIA directorship. Believing that he needed to appoint someone to the post whom he could trust implicitly and from whom he could "get the right pitch at CIA," the president initially offered the job to his brother. The Attorney General rejected the proposition, however, on grounds that he was a Democrat and was too close to the White House, both of which were regarded by Robert Kennedy as liabilities in the wake of JMARC. Several other candidates were considered, including Fowler Hamilton, who was soon to become head of AID, but eventually Kennedy plumped for McCone.<sup>85</sup>

Dulles's successor was in many ways a very suitable candidate to fulfil Kennedy's requirements at the CIA. What the agency needed most in the aftermath of the Bay of Pigs venture was a director who could bring its sprawling bureaucracy under control

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<sup>83</sup>Andrew, *For the President's Eyes Only*, p.266.

<sup>84</sup>Russell Jack Smith, *The Unknown CIA: My Three Decades with the Agency* (New York, 1989), p.145.

<sup>85</sup>Edwin O. Guthman and Jeffrey Shulman, *Robert Kennedy In His Own Words: The Unpublished Recollections of the Kennedy Years* (London, 1988), p.253.

and restore morale. McCone had proven his worth as an administrator in the private sector – at the California Shipbuilding Company – becoming a millionaire in the process. Eisenhower had appointed him chairman of the Atomic Energy Commission (AEC) in 1958, and here McCone had performed effectively in restoring morale after the Oppenheimer case. While at the AEC the would-be DCI had worked well with the congressional committees which oversaw its activities.<sup>86</sup> This, Robert Kennedy claimed, had led some to charge that McCone was too close to the legislature. Good relations with Capitol Hill were, however, essential for a prospective DCI if congressional review of the CIA's activities was to remain as cursory as had been the case during Dulles's time and before.<sup>87</sup> An additional advantage in selecting McCone was the point that his affiliations lay with the Republicans, and his appointment as DCI therefore helped Kennedy to remove the furore that followed JMARC from the domain of partisan politics.<sup>88</sup>

Kennedy's plan for the American intelligence community envisaged each of its component agencies as interacting in a cooperative manner, with the DCI playing a pivotal role in co-ordinating the overall intelligence effort.<sup>89</sup> In fact, these objectives were fulfilled only once between 1961 and 1963, during the Cuban missile crisis. In a more general sense, interagency relations proved to be as difficult as they had been during the 1950s.<sup>90</sup> McCone did attempt to improve co-ordination and understanding across the entire intelligence community through the creation of the office of National Intelligence Programs Evaluation (NIPE). NIPE, however, had no regularised procedures. Thus, the military intelligence components, the NSA, the FBI, and the State Department Bureau of Intelligence and Research (INR) continued to attempt to act unilaterally without reference to the DCI despite the president's wishes, and McCone's assumption of bureaucratic equality with State and Defense served only to irritate and cause friction with McNamara.<sup>91</sup>

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<sup>86</sup>Jeffreys-Jones, *CIA and American Democracy*, p.133; John McCone, OH, pp.1-8, JFKL.

<sup>87</sup>Guthman and Shulman, *RFK In His Own Words*, p.254; *Church Report*, Bk.1, p.116.

<sup>88</sup>Jeffreys-Jones, *CIA and American Democracy*, p.133; Karalekas, *History of the CIA*, pp.65-66.

<sup>89</sup>*ibid*, p.73.

<sup>90</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.308; Patrick Mescall, "The Birth of the Defense Intelligence Agency," in Jeffreys-Jones and Lownie, *North American Spies*, pp.158-201.

<sup>91</sup>McCone, OH, pp.10-13, JFKL; Powers, *Man Who Kept the Secrets*, p.160; Karalekas, *History of the CIA*, p.72, p.76; Schlesinger, *A Thousand Days*, pp.381-382.

At the same time, McCone proved to be a very effective administrator of the CIA itself, as is evident from machinations that led to the establishment of the Deputy Directorate of Science and Technology (DDS&T) in August 1963 (see appendix 13). Arguments for the provision of a fourth CIA directorate took root as a consequence of the controversy which followed the failure of JMARC, when Kennedy threatened to "splinter the CIA into a thousand pieces and scatter it to the winds."<sup>92</sup> The agency's leadership correctly gauged that the principal target of the president's anger was not the CIA generally, but the Directorate of Plans. McCone thus proposed the transfer of three of the DDP's key components to the DDS&T. These components were: (1) the Development Projects Division (DPD); (2) the Technological Services Division; and (3) the Office of ELINT (electronic intelligence). In taking such action, McCone diminished the DDP's mission and brought it under more rigid control without reducing the overall size of the CIA.

The creation of the DDS&T signalled more, however, than McCone's ability to protect his own bureaucratic fiefdom. By grouping these former divisions of the DDP with the Office of Scientific Intelligence – which was poached from the DDI – under the umbrella of the DDS&T, McCone accelerated the agency's drift away from HUMINT and towards specialisation in the field of technological intelligence. This trend, which had begun during the fifties, was further reinforced by the creation of two new agency components within the DDS&T – the Office of Research and Development, and the Foreign Missile and Space Analysis Center. The CIA's fourth directorate, furthermore, served as an outlet for interchange between the agency and the wider scientific and industrial communities, which was a very necessary requirement if the CIA was to remain at the cutting edge of technological research.<sup>93</sup>

In regard to the degree of attention that McCone allocated to each of the directorates under his charge, the Church Report stated that the DDP commanded up to 90 percent of the DCI's time.<sup>94</sup> Given that Robert Kennedy, Taylor, and Bundy were managing DDP operations in Cuba and Southeast Asia, which were the most consuming of all the agency's covert action programmes, this claim would seem to have overstated the

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<sup>92</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.30.

<sup>93</sup>*Church Report*, Bk.1, pp.118-119.

<sup>94</sup>Karalekas, *History of the CIA*, p.66, p.74.

case, and it certainly did not reflect McCone's professional inclinations. As Ray Cline, who succeeded Amory as DDI, pointed out, "McCone was the only DCI who ever took the role of providing substantive intelligence analysis and estimates to the president as his first priority job, and the only one who considered his role as co-ordinating supervisor of the whole intelligence community to be more important than the CIA's own clandestine and covert action programmes."<sup>95</sup>

This shift in emphasis away from covert action and towards intelligence collection was also apparent in McCone's selection of Richard Helms as DDP in November 1961. Prior to this point, Helms had served as Bissell's assistant, but the new deputy director's speciality was in the field of tradecraft rather than operations. A key factor influencing Helms's appointment was that it provided continuity, an element which McCone strove to maintain during the unprecedented shake-up in CIA affairs that followed the Bay of Pigs debacle. Indeed, Bissell himself was asked to stay on as DDP until February 1962 to ensure a smooth transition in the CIA hierarchy, and he was later offered control of the DDS&T in recognition of the invaluable contribution he had made to the U-2 project and its follow-on satellite programmes.<sup>96</sup> Bissell declined the offer, but the fact that it was made at all lends weight to Joseph Smith's point that, with the exceptions of Dulles, Cabell, and Amory, top CIA personnel were either retained or promoted after the Bay of Pigs fiasco. The purge that many expected and that Kennedy intended simply did not materialise.<sup>97</sup>

McCone's working practices support the case that he took a more even handed approach to the management of the agency than Dulles had done. At nine o'clock every morning, the DCI met with his principal deputies from each of the directorates to review pressing business and ensure that the CIA was not working at cross purposes.<sup>98</sup> This was a definite advance on the approach of Dulles, who viewed the DDI as secondary to the DDP and thereby fostered division between the agency's analysts and its operators, which reached its most acute proportions during the Bay of Pigs campaign. McCone subsequently regarded it as crucial that the imbalance be

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<sup>95</sup>Ray Cline, *The CIA Under Reagan, Bush, and Casey: The Evolution of the Agency from Roosevelt to Reagan* (Washington D.C., 1981), p.216

<sup>96</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.34; Ranelagh, *The Agency*, p.413.

<sup>97</sup>Smith, *Cold Warrior*, p.320; Phillips, *Night Watch*, p.113.

<sup>98</sup>Cline, *CIA Under Reagan, Bush, and Casey*, pp.217-218.

redressed and he therefore set great store in improving the CIA's performance as an intelligence provider. Under the new DCI's direction, for example, the OCI presented the *President's Intelligence Check List*, which was "a no-holds-barred publication" that carried the most sensitive information to be gleaned from the CIA's operational reports. This was well-received by Kennedy and it helped to enhance the agency's standing after the precipitous decline that followed JMARC.<sup>99</sup>

The CIA's performance in the field of intelligence production has, however, been the source of controversy, especially as it relates to the Cuban missile crisis. In the aftermath of Khrushchev's removal of Soviet missiles from Cuba, Kennedy is reported to have been disenchanted with the CIA on grounds that it failed, even in the DDI estimates of September 1962, to give adequate warning of the oncoming conflict.<sup>100</sup> This has led some commentators to conclude that the CIA performed in a "less than inspiring manner" during the crisis.<sup>101</sup> On the other side of the argument, agency officials who were close to events have characterised the missile crisis as "the CIA's finest hour."<sup>102</sup> While drawing perhaps predictable conclusions, these first-hand accounts also shed considerable light on the events and the problems associated with intelligence collection and analysis: a mission which Marchetti and Marks describe as "a guessing game, albeit one that is grounded in fact, logic and experience."<sup>103</sup>

It has been suggested that in presenting its assessment of the worsening situation in Cuba, the CIA failed to take proper cognisance of Soviet strategic doctrine, the emphasis of which was concentrated on building Russian economic capacity rather than military power. In the interests of achieving this aim, the argument goes on to say, Khrushchev sought to maintain a minimum deterrent in dealing with the United States. He therefore resorted to military brinkmanship, siting missiles in Cuba in the hope that such a move would enhance the effectiveness of the relatively small Soviet nuclear arsenal.<sup>104</sup>

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<sup>99</sup>Smith, *The Unknown CIA*, p.140, p.149.

<sup>100</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.311; Corson, *Armies of Ignorance*, p.398.

<sup>101</sup>Jeffreys-Jones, *CIA and American Democracy*, p.119.

<sup>102</sup>McCone, OH, pp.11-14, JFKL; quote from Smith, *The Unknown CIA*, p.161.

<sup>103</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.312.

<sup>104</sup>Jeffreys-Jones, *CIA and American Democracy*, p.137.

While this argument carries considerable weight, the real source of the CIA's predictive failure lay in the assumptions on which it based its judgements. Agency logic proceeded from the premise that before emplacing offensive missile systems in Cuba, the Soviet leadership would correctly assess the impact that such a move would have in the United States and veto the plan. Contrary to CIA expectations, Khrushchev did not behave logically, and the agency was perceived by some to have failed yet again. Oleg Kalugin, a KGB officer who was familiar with the circumstances surrounding the Russian decision to site the missiles, supports this line of argument. Kalugin affirms that the KGB regarded Khrushchev as having "acted recklessly, badly underestimating Kennedy's resolve and the severity of the U.S. reaction to the presence of the missiles."<sup>105</sup>

The missile crisis illustrates the inherent limitations of intelligence, which essentially arise from the fact that specific events cannot be predicted with accuracy or confidence. Khrushchev's decision to install the weapons was not knowable until the venture was under way.<sup>106</sup> At the same time, there were some in the CIA, not least of all McCone himself, who suspected the worst. The DCI speculated that Russian military designs in Cuba were aimed at redressing the strategic balance between the superpowers, which was weighted heavily in favour of the United States after the successful testing of the Starfish missile system in July 1962. Though McCone's suspicions were based on intuition rather than hard fact, he used them as justification to intensify U-2 reconnaissance flights over Cuba, which proved vital in alerting Kennedy to the real nature of Soviet intent in time for the president to act. The U-2 programme was actually turned over to the Air Force during the missile crisis – on 14 October 1962 – but the CIA continued to play a crucial part in the intelligence-gathering effort through satellite systems which reinforced and verified U-2 photographic evidence.<sup>107</sup> The agency was, furthermore, able to draw from Penkovsky, who revealed that the Russians did not yet have the technological capacity to launch an Intercontinental Ballistic Missile (ICBM) attack against the United States

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<sup>105</sup>Oleg Kalugin, *Spy Master: My 32 Years in Intelligence and Espionage Against the West* (London, 1994), p.57.

<sup>106</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.311.

<sup>107</sup>Reeves, *President Kennedy*, pp.338-339; McCone, OH, pp.10-11, JFKL; Marchetti and Marks, *CIA and the Cult of Intelligence*, pp.308-311.

from within Soviet territory: information which strengthened Kennedy's hand immeasurably.<sup>108</sup>

McCone, then, played a decisive part in the successful resolution of the missile crisis. Yet the affair did not enhance his reputation, for in the aftermath of Khrushchev's climb-down the DCI lost little time in reminding colleagues that he had been right in his judgement of Russian intentions. This was tactless and it caused irritation throughout the Kennedy administration. Bundy, for example, is reported to have reacted by stating, "I'm so tired of listening to McCone say he was right I never want to hear it again." More serious repercussions for McCone arose from the fact that Kennedy also resented the DCI's boasting and the relationship between the president and his chief intelligence officer declined considerably after October 1962.<sup>109</sup>

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## CONCLUSION

The years 1961 to 1963 marked a turbulent period for the CIA. From optimistic beginnings, agency fortunes plummeted to their nadir through the spectacular failure at the Bay of Pigs, then rose again slowly in the wake of an unprecedented reorganisation, not only of the CIA itself but of the entire American intelligence apparatus. Though Kennedy threatened to abolish the agency immediately after JMARC, the need for the United States to engage in covert operations and the capacity of the CIA to perform such activities was never seriously questioned. Following the Taylor report and the PFIAB investigation, the Kennedy brothers, especially the Attorney General, took an interest in covert action that verged on the obsessive.<sup>110</sup> Consequently, the DDP continued, under close presidential scrutiny, to dominate the CIA in much the same as it had done during the 1950s. Emphasis was now, however, placed heavily on paramilitary and counterinsurgency activities, which were focused on Cuba and Southeast Asia, and reflected the general interventionist thrust of Kennedy's foreign policy.<sup>111</sup>

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<sup>108</sup>Greville Wynne, *The Man From Odessa* (London, 1981), pp.201-208.

<sup>109</sup>Powers, *Man Who Kept the Secrets*, p.162.

<sup>110</sup>Schlesinger, *Robert Kennedy*, pp.459-466.

<sup>111</sup>*Church Report*, Bk.1, p.115.

## CHAPTER 8

### A BANQUET OF CONSEQUENCES: COVERT ACTION IN CUBA AND THE CARIBBEAN, 1960-1963

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Few short treatises on the undeclared war that John Kennedy waged against revolutionary Cuba between 1961 and 1963 could have greater resonance or be more eloquently-put than an observation made by Robert Louis Stevenson during the previous century in which he opined that "sooner or later we sit down to a banquet of consequences." Much has been made of the strategic and tactical drawbacks of the Bay of Pigs invasion and the subsequent effort to destabilise Cuba with the launch of Operation MONGOOSE, not to mention the questionable ethics of the various attempts made by the CIA to assassinate Fidel Castro. The real flaw in Washington's drive to unseat the Maximum Leader, as Castro came to be known, however, lay in the deeply-held yet ill-conceived assumption that because Castro led a leftist regime that resisted implementing democratic change and adopted Marxist-Leninism, it necessarily followed that widespread discontent existed within Cuba and could be triggered into rebellion through the deployment of covert action. This was not the case and in reality Kennedy had only two choices in confronting Castro, which were either to live with the fact that a communist state lay less than a hundred miles from the Florida coast or to authorise overt military intervention to eradicate the threat.<sup>1</sup>

The consequences of the president's failure to fully recognise these realities and to opt instead to use covert action as a third way of combating Castro were far-reaching. Most significantly, his decision not to launch an outright military invasion of Cuba at the point at which the Bay of Pigs went awry led Khrushchev to scent weakness and subsequently test American resolve whenever opportunities presented themselves. What followed was essentially a superpower sparring match that made a close

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<sup>1</sup>Bissell maintains that Eisenhower contemplated taking overt action against Cuba shortly before Kennedy's inauguration and "in the absence of a really good excuse," considered "manufacturing something that would be generally acceptable." Secretary of State Herter suggested that an attack on the American naval base at Guantanamo Bay would provide the necessary justification, see Bissell, *Reflections of a Cold Warrior*, p.161. Plans for an invasion were drawn up prior to the discovery of missile sites in Cuba and were modified during the CMC, see Reeves, *President Kennedy*, pp.366-367; Chang and Kornbluh (eds.), *CMC Documents*, pp.5-6, pp.61-62.

connection between Berlin and Cuba and brought the Cold War to its most dangerous phase with the Cuban missile crisis.<sup>2</sup>

Kennedy, furthermore, bore the consequences of the failure of both Truman and Eisenhower to implement adequate oversight provisions for the management of covert action. The outcome was that the DDP had, especially over the eight years prior to Kennedy taking office, developed a propensity to overestimate its abilities and achievements, overlook its failures, underestimate its enemies, and habitually preclude its own espionage and counterintelligence experts from gaining access to operational details. At least some of these unwelcome traits were evident in the latter stages of Eisenhower's tenure, most visibly so during Operation HIKE, but under Kennedy, who had none of his predecessor's experience of managing the CIA's covert action mission, they took on hubristic proportions. The result was the Bay of Pigs fiasco.<sup>3</sup>

Though the failure of JMARC led to the introduction of measures designed to monitor the DDP's activities more closely, Kennedy continued to place his faith in the organisation's capacity to unseat Castro. Indeed, covert action remained an essential element of a wider American effort aimed at countering communism and the causes of communism in the Western Hemisphere generally. As had been the case in Western Europe during the late forties and early fifties, economic initiatives, notably Eisenhower's Social Progress Trust Fund and Kennedy's more ambitious Alliance for

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<sup>2</sup>Beschloss, *Kennedy v. Khrushchev*.

<sup>3</sup>There are several excellent treatments on the Bay of Pigs, including Piero Gleijeses, "Ships in the Night: The CIA, the White House and the Bay of Pigs," *Journal of Latin American Studies* 27(1995): 1-42, which draws extensively on recently declassified material from the Eisenhower and Kennedy Libraries, Peter Wyden, *Bay of Pigs: The Untold Story* (New York, 1979), which still offers one of the most comprehensive accounts of the affair, and Trumbull Higgins, *The Perfect Failure: Kennedy, Eisenhower, and the CIA at the Bay of Pigs* (New York and London, 1987). The most significant source for the study of JMARC, however, is Kornbluh (ed.), *Bay of Pigs Declassified*, which includes the Inspector General's Survey of the Cuban Operation, Oct. 1961 (hereafter cited as IG Report), pp.23-29 – a damning internal report conducted by the CIA's Inspector General Lyman Kirkpatrick in the aftermath of the operation – and "An Analysis of the Cuban Operation by the Deputy Director (Plans), CIA," 18 Jan. 1962 (hereafter cited as Bissell Rebuttal), pp.133-224, which was Richard Bissell's rebuttal of Kirkpatrick's findings's. Both of these sources were declassified in 1998.

Progress, were central to this policy.<sup>4</sup> In its drive to complement these larger American objectives, the CIA mounted preventive operations, for instance, in the Dominican Republic between 1960 and 1961, and in Ecuador in 1962 and 1963, as well as a major defensive programme in Venezuela from 1962 to 1964. For Kennedy, however, the principal challenge to the regional interests and standing of the United States came from revolutionary Cuba. Indeed, the American president remained unremitting in his determination to unseat Castro by any means short of invasion until, in November 1963, Lee Harvey Oswald succeeded in doing to Kennedy what the CIA had consistently failed to do to Castro over the past three years.

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### THE CUBAN REVOLUTION

On 1 January 1959, Fulgencio Batista y Zaldívar, an archetypal *caudillo* who had dominated Cuban politics for twenty years and ruled directly since 1952, was swept from power by Fidel Castro's 26th of July Movement (M-26-7). These events marked the culmination of a six year campaign which began in 1953, when Castro and his brother Raúl mounted a failed rebellion and were imprisoned for fifteen years. Pardoned under a general amnesty after eleven months of incarceration, the Castro brothers left for exile in Mexico in 1955. They returned to Cuba in December 1956, however, with Argentinean doctor-turned-revolutionary Ernesto "Ché" Guevara and 81 followers to launch a second campaign to dislodge the Batista regime. Over the following two years the insurgency gathered ever greater momentum, and the repressive methods that Batista employed to counter it led only to a steady haemorrhaging in his support. By December 1958, the Cuban dictator's power base had been eroded to the extent that the only option that lay open to him was to flee to the Dominican Republic. The Cuban revolution had thus succeeded and Castro was greeted by cheering crowds as he entered Havana.<sup>5</sup>

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<sup>4</sup>Rusk, *As I Saw It*, pp.347-348; Rabe, *Eisenhower in Latin America*, p.149

<sup>5</sup>Louis A. Pérez, Jr., *Cuba: Between Reform and Revolution* (New York, 1988), pp.290-292, pp.308-312; Thomas G. Paterson, *Contesting Castro: The United States and the Triumph of the Cuban Revolution* (New York and Oxford, 1994), pp.18-30.

Though Castro has long declared himself to have been a Marxist-Leninist from the outset of his career, a close scrutiny of the evidence suggests that his claim amounts to a retrospective vindication of the course that his regime subsequently followed.<sup>6</sup> He did not come to power advocating communism and his relationship with the Cuban Communist Party – Partido Socialista Popular (PSP) – was decidedly cool prior to the success of the revolution. Taking its lead from a cautious and largely disinterested Russian leadership which, to quote a leading authority on Soviet-Latin American affairs, adhered to the concept of "geographical fatalism," the PSP dismissed Castro's insurrectionist efforts as acts of reckless adventurism.<sup>7</sup>

Certainly, there was a definite lack of unanimity in Washington regarding Castro's ideological leanings for almost a year after his accession to power. In essence, the Eisenhower administration pursued a wait-and-see policy, with Christian A. Herter, who had recently succeeded the dying Foster Dulles as Secretary of State, and the newly-appointed Ambassador to Havana, Philip W. Bonsal, dominating the debate about policy direction in the early months of 1959. These officials looked on the future prospects for Cuban-American relations with a reserved optimism which was based on the belief that the Cuban revolution could be guided, as the Bolivian revolution had been, in a direction that was compatible with the interests of the United States.<sup>8</sup>

The balance in administration thinking moved towards the adoption of a harder line following Castro's visit to Washington in April 1959. At this point the Cuban leader was regarded as a volatile neutralist who, because he chose not to request American aid, would be difficult to control. For the next ten months the story was one of Castro moving sharply to the left and becoming ever more outspoken in his use of anti-American rhetoric. Two key events stood as markers in this trend. In September 1959

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Fidel Castro to the Junta de Liberación in Miami, from the Sierra Maestra, 14 December 1957, in Mario Llerena, *The Unsuspected Revolution: The Birth and Rise of Castroism* (London, 1978), pp.257-270; Jorge I Domínguez, *Cuba: Order and Revolution* (Cambridge, Mass., 1978), p.145; interview with Fidel Castro, for documentary entitled *Cuba Libre*, Sky History Channel, 21 November 1998.

Nicola Miller, *Soviet Relations with Latin America, 1959-1987* (Cambridge, 1989), pp.5-6, p.10. Rabe, *Eisenhower and Latin America*, p.126; Philip W. Bonsal, *Cuba, Castro, and the United States* (Pittsburgh, 1971), pp.39-40; Nixon, *Six Crises* (London, 1962), p.352.

he addressed the UN in New York, projecting a considerably more radical image than had been on display in April and arguing the case for equidistance between the superpowers in the Cold War. By February 1960 he had moved resolutely towards the Soviet camp, hosting a trade fair that was headed by the Russian Vice Premier, Anastas Mikoyan, and which served as the precursor for the two countries signing a commercial agreement.<sup>9</sup>

What should be stressed, however, is that Castro ruled on his own terms, and though by late 1959 he had decided to follow a Marxist course, he did not regard himself as, or intend on becoming, a Soviet puppet. Rather than fitting into the Soviet mould, Castro's wider international ambitions corresponded to the Nasser model. The Cuban ruler saw his appeal as transcending national boundaries and he aspired to establish himself as the leader of a nonaligned Latin American revolutionary bloc that would counterbalance the power of the United States in the Western Hemisphere.<sup>10</sup>

The pursuit of such designs was partly attributable to defensive motives. Like Arbenz, Castro implemented far-reaching agrarian reform, which included the expropriation of domestic and foreign-owned plantations. As a consequence, the Maximum Leader anticipated that the type of action taken against the Guatemalan government in 1954 would be attempted again in Cuba.<sup>11</sup> Havana therefore sought to incite further revolutions in Latin America, the success of which, it was reasoned, would provide Cuba with regional allies and in turn deter the United States from taking offensive action. When the hoped-for revolutions failed to materialise, however, the survival of the new Cuba came to depend on Castro's ability to secure the military protection of the Soviet Union.<sup>12</sup> A shared Marxist-Leninist ideology, Castro calculated, increased the obligation on Moscow to come to Cuba's aid, especially in light of the fact that the Sino-Soviet split was intensifying pressure on the Kremlin to demonstrate its socialist credentials.<sup>13</sup>

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<sup>9</sup>Rabe, *Eisenhower and Latin America*, pp.125-129.

<sup>10</sup>Wayne S. Smith, *The Closest of Enemies: A Personal and Diplomatic History of the Castro Years* (New York, 1987), pp.45-50; Kombluh (ed.), *Bay of Pigs Declassified*, pp.6-7.

<sup>11</sup>Paterson, *Contesting Castro*, pp.241-255; Perez, *Cuba*, pp.332-336; Rabe, *Eisenhower and Latin America*, pp.124-125.

<sup>12</sup>Smith, *The Closest of Enemies*, pp.45-50.

<sup>13</sup>Miller, *Soviet Relations with Latin America*, pp.79-84.

The Eisenhower administration's fears of communist penetration in Cuba and of Castro's alignment with the Soviet Union escalated in parallel with this leftward trend. By October 1959, Washington was adopting an increasingly intolerant line. Similarly to the Voroshilov visit to Indonesia, the Mikoyan mission to Cuba merely confirmed the United States in its determination to unseat a difficult third world leader who in Eisenhower's estimation, was beginning to "look like a madman."<sup>14</sup>

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### OPENING MOVES

On 13 January 1960, the 5412 Committee gave conditional approval to Dulles's proposal that the CIA begin "contingency planning" for a covert action programme to bring about the downfall of the Cuban government. The CIA established a special task force within J.C. King's Western Hemisphere Division to devise a programme aimed at meeting with the administration's wishes. Headed by Jake Esterline, who was transferred from his duties as CIA station chief in Caracas, the new grouping operated under the acronym of WH/4 (Western Hemisphere Division, Branch 4) and on 17 March 1960, Dulles, Bissell, and King presented its findings to Eisenhower (see appendix 14).<sup>15</sup> "A Program of Covert Action Against the Castro Regime" was a four point plan that hinged on the creation and development of: (1) a responsible, unified, and appealing Cuban opposition based outside of the island; (2) a mass communications network to ensure the implementation of a powerful propaganda offensive; (3) a covert intelligence and action organisation inside of Cuba; and (4) an adequate paramilitary force based outside of Cuba. Though he expressed reservations about the potential for leakage and breach of security, Eisenhower gave his authorisation for Esterline to proceed with the plan under the overall direction of Bissell.<sup>16</sup>

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<sup>14</sup>Discussion at the 432nd Meeting of the National Security Council, 14 January 1960, *FRUS 1958-60*, Vol. 6: 742-743; Bissell, *Reflections of a Cold Warrior*, pp.152-153; Ambrose, *Ike's Spies*, p.308.

<sup>15</sup>"Chief of WH/4 Branch in CIA," p.1, box 61A, NSF/Countries, JFKL.

<sup>16</sup> Andrew J. Goodpaster, Memo. of Conference with the President, 18 Mar. 1960, Intelligence Matters, folder 14, box 15, Alphabetical Subseries, Subject Series, WHO, DDEL; CIA Policy Paper, "A Program of Covert Action Against the Castro Regime," 16 March 1960, folder 3, box 4,

The strategy to be deployed against Castro was a close approximation of PBSUCCESS. The CIA was to use all means at its disposal and its efforts were to be complemented by a wider campaign involving the State and Defense Departments and the USIA. The overall aim was to secure inter-American support for Washington's efforts to isolate Havana diplomatically and economically, and prepare the way for overt OAS intervention against the Castro regime.<sup>17</sup> There was, however, a further and closely interconnected dimension to the agency's Cuba programme, namely Operation EMOTH, the campaign to overthrow the Dominican Republic's brutal, rightist dictator, Rafael Trujillo.<sup>18</sup>

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### THE DOMINICAN DIMENSION

Eisenhower's and later Kennedy's reasons for seeking Trujillo's ouster were essentially threefold. To begin with, he was the principal exporter of counterrevolution in the Americas and he targeted the region's burgeoning democracies, thereby undermining the centrepiece of United States policy in the Western Hemisphere. Within his own borders, he ruled in such a corrupt and arbitrary manner that he raised fears in Washington that he was inadvertently planting the seeds for a Cuban-style revolution, which in American eyes justified the use of preventive covert action. Finally, hatred of Trujillo easily outweighed distrust of Castro in Latin America and the Eisenhower administration therefore calculated that if it adhered to the Betancourt Doctrine and acted against totalitarian governments of left and right then it would enhance the prospects of securing hemispheric support for its anti-Castro policies.<sup>19</sup>

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Series, WHO, DDEL. This paper is also available at Annex 1, box 61A, NSF, JFKL, but the document at the Eisenhower Library has fewer deletions. Bissell, *Reflections of a Cold Warrior*, pp.152-153.

<sup>17</sup>FRUS 1958-60, Vol.6: 740-746; IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, pp.24-31.

<sup>18</sup>Higgins, *The Perfect Failure*, p.153.

<sup>19</sup>Memo. for the President, "Possible Action to Prevent Castroist Takeover of the Dominican Republic," with enclosure, "Proposed Plan of 14 Jan. 1960," 14 April 1960, Intelligence Matters folder, box 15, Administrative Subseries, Subject Series, WHO, DDEL.

Operation EMOTH was, then, conceived and designed to serve as an adjunct to the CIA's Cuba project and at least until the summer of 1960, the two programmes advanced in parallel. Recommendations that preparations be made to take preventive action in the Dominican Republic were, for example, first broached at an NSC meeting on 14 January 1960, just one day after Eisenhower approved contingency covert action planning to begin against Cuba. A similar time period of approximately three months elapsed, moreover, for more specific proposals to come to light in both cases. A State Department paper which focused on the policies to be pursued in the event of the "flight, assassination, death or overthrow of Trujillo" was authorised by Eisenhower in April 1960, within a month of his approval of the WH/4 programme.<sup>20</sup> More explicit parallels emerged the following month when Eisenhower stated that his exasperation with Castro and Trujillo had become so pronounced that he wished to see them both "sawed off."<sup>21</sup>

Debate still surrounds the circumstances of Trujillo's murder by Dominican dissidents on 30 May 1961. That the Church Committee could not establish definitely whether CIA involvement of any kind had figured in the assassination is evidence only of the agency's skill at "erecting screens of detachment" to distance itself and its political masters from potentially damaging repercussions.<sup>22</sup> The extent to which the incoming Kennedy White House was informed about Operation EMOTH is also a subject of conjecture. Robert Kennedy argued that the new administration was not aware of the exact details of what was afoot.<sup>23</sup> In response, Scott D. Breckenbridge, a CIA officer who was familiar with the Dominican operation, maintains that "the highest levels of government in two administrations" encouraged and supported the coup against Trujillo and understood that "the objective could be achieved only by killing [the Dominican dictator]." Breckenbridge goes on to say that he reviewed a cable file containing "detailed reporting from the field on the plans of the dissidents," which was subsequently passed on to the Kennedy White House.<sup>24</sup>

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<sup>20</sup>*ibid.*

<sup>21</sup>Church Committee, *Alleged Assassination Plots*, pp. 192-193; Memo. of Conference with the President, 13 May 1960, folder 6, box 4, State Department Subseries, Subject Series, WHO, DDEL.

<sup>22</sup>Church Committee, *Alleged Assassination Plots*, p. 215; quote from Scott D. Breckenbridge, *CIA and the Cold War: A Memoir* (Westport, Connecticut and London, 1993), p. 117.

<sup>23</sup>Schlesinger, *Robert Kennedy*, p. 491.

<sup>24</sup>Breckenbridge, *CIA and the Cold War* p. 117.

These claims are supported by a February 1961 memorandum in which McGeorge Bundy informed the president that the State Department regarded the increased diplomatic isolation of Cuba and the Dominican Republic as being imperative "before any drastic action is taken," the implication being against both countries.<sup>25</sup> For EMOTH to have had its intended effect, however, the anti-Trujillo opposition would have needed to act against its intended victim in close conjunction with a successful coup against Castro. A satisfactory outcome to the Dominican campaign was thus not possible once the Bay of Pigs invasion had failed.

Assassination was central to Operation EMOTH, but it was also attempted against Castro. The effort to kill the Maximum Leader was envisaged as a potential quick fix for solving the Cuban problem. Though it ran concurrently with the CIA's paramilitary operation against the revolutionary government in Havana, the agency's campaign to murder Castro employed different operatives and assets, not to mention strategies and tactics, and it therefore needs to be examined as a separate entity.

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#### DABBLING IN A DEADLY ART: ASSASSINATION AND THE CIA'S MAFIA CONNECTION

Assassination is the "most elemental form of paramilitary action," and before deploying it the prospective perpetrator must address the fundamental question of whether or not recourse to such an instrument can be exploited effectively for political ends.<sup>26</sup> This requirement was seen as being fulfilled when the assassination of one or more of Cuba's leaders was first discussed, albeit circumlocutiously, by the 5412 Committee on 14 March 1960. Should Fidel and Raúl Castro and Che Guevara "disappear simultaneously" then an opportunity would present itself for the Cuban Communist Party, as "the most organised group in [the country]," to step into the resultant vacuum. This was in turn calculated to be of advantage to Washington, for it would provide the necessary justification for the United States and its OAS partners, under the provisions of the Caracas Declaration, "to move in on Cuba in force."<sup>27</sup>

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<sup>25</sup>Bundy, "Memo. for the President," 8 Feb. 1961, folder 5, box 115, President's Office Files, JFKL.

<sup>26</sup>Godson, *Dirty Tricks or Trump Cards*, p.159.

<sup>27</sup>Church Committee, *Alleged Assassination Plots*, p.93.

When, in the latter months of 1960, the CIA opted to sponsor the amphibious invasion of Cuba which came to fruition with the ill-fated Bay of Pigs operation, the assassination of the Maximum Leader and his colleagues was to serve as a second 'track' to the wider plan: to leave Cuba leaderless while the invasion was taking place, thus optimising the chances of success.<sup>28</sup>

For assassination to succeed, however, other more practical requirements also need to be adhered to. Above all else, the assassins themselves must be subject to vigorous security controls, not least of all to limit the possibilities of disclosure. In this respect the CIA's plans to kill Castro were severely flawed, primarily because the agency subcontracted this delicate mission out to America's most experienced killers – the Cosa Nostra.<sup>29</sup>

The CIA-Mafia connection can be traced back as far as 1943 when the OSS secured the syndicate's agreement to engage in clandestine action in Sicily in return for the parole of mob chieftain "Lucky" Luciano. There is as well some speculation that the Cosa Nostra played a role in the CIA's campaign to defeat the Communist-Socialist alliance in the Italian elections of 1948.<sup>30</sup> No evidence exists, however, to support the case that the link was maintained until 1960.

Exactly who initiated the CIA-Mafia assassination campaign against Castro is also a matter of some conjecture. Bissell refutes claims that the idea originated with him, maintaining that he first heard of the plan to use the Mafia from Sheffield Edwards, the director of the CIA's Office of Security, who had additional responsibility for some of the MKULTRA projects. Edwards and his deputy subsequently became case officers for agency relations with the syndicate and Bissell authorised them to continue with the arrangement.<sup>31</sup> The CIA made direct contact with the Mafia in September 1960 through Robert Maheu, a one-time FBI officer who worked freelance for the agency. He approached John Rosselli, Salvatore 'Sam' Giancana, and Santos Trafficante with the offer of a contract to kill Castro for \$150,000. All three were leading underground

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<sup>28</sup>Kornbluh (ed.), *Bay of Pigs Declassified*, pp.9-10.

<sup>29</sup>Church Committee, *Alleged Assassination Plots*, p.133; Schlesinger, *Robert Kennedy*, p.481; Andrew, *For the President's Eyes Only*, p.252.

<sup>30</sup>Smith, *OSS*, p.86; Jeffreys-Jones, *CIA and American Democracy*, p.51.

<sup>31</sup>Bissell, *Reflections of a Cold Warrior*, p.157.

figures who had ample reason for wanting the Cuban leader dead. On coming to power he had terminated Havana's mob-controlled gambling and vice rackets. Maheu's offer was therefore readily accepted.<sup>32</sup>

A major difficulty with the Mafia connection, as has already been pointed out, was that the CIA's capacity to maintain any security control over the syndicate's activities was severely limited, as indeed Bissell himself has acknowledged.<sup>33</sup> There is as well the question of whether, given the tactics that were used, it was necessary for the agency to enter into partnership with the syndicate at all. If the CIA had bargained on the Mafia resorting to a stereotypical gangland killing of Castro, then the agency was mistaken. A successful attempt on the life of the Cuban leader was, as the mob well understood, dependent on more subtle tactics. Giancana and his cohorts therefore proposed that a number of anti-Castro Cubans be recruited to penetrate the would-be victim's entourage and kill him by poisoning when the opportunity presented itself. The CIA consequently provided the Mafia with pills containing botulinum toxin that could be dissolved in water and these were used in two unsuccessful attempts on Castro's life in early 1961. More fantastic schemes involving cigars treated with deadly toxins and a diving suit that had been coated with death-inducing bacterial powder followed, none of which succeeded.<sup>34</sup>

Quite aside from the fact that these activities beggar belief, they raise a very fundamental question about the quality of the CIA hierarchy's judgement. Since the agency supplied the Mafia with the poisons and other resources it requested and had extensive contacts with the Cuban emigré community in Miami, from which potential assassins could readily be drawn, why was it necessary to involve the mob at all? The syndicate, in essence, merely devised a strategy and the CIA was well capable of doing the same without any outside assistance. Indeed, the DDP drew up its own plans for the assassination of Raúl Castro in early 1960. Authorisation to proceed with the venture was cabled to the Havana station only to be withdrawn within hours of the initial approval. This took place in July 1960, some two months before Edwards and Maheu established the Mafia link.<sup>35</sup>

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<sup>32</sup>Church Committee, *Alleged Assassination Plots*, pp.93-96, pp.74-77.

<sup>33</sup>Bissell, *Reflections of a Cold Warrior*, pp.157-158.

<sup>34</sup>Church Committee, *Alleged Assassination Plots*, pp.74-77, pp.95-97.

<sup>35</sup>*ibid*, pp.93-95.

Further debate surrounds exactly who gave authority for the campaign to kill Castro to proceed. Though it is quite possible that Eisenhower did not know of the bizarre tactical details of the CIA's assassination plots, there is a strong likelihood that, as was the case with the action that was simultaneously being planned and executed against Lumumba, the president was aware of and condoned the strategy. Such moves were not, after all, new to the Eisenhower administration, given that it had been well-disposed to consider use of the golden bullet against, for example, Arbenz and Sukarno.

Kennedy does not appear to have sanctioned or even been aware of the CIA assassination plots that were authorised during the final months of Eisenhower's tenure.<sup>36</sup> The new president was not in any way averse, however, to the use of such extreme methods to advance his policy objectives and nor were a number of his key lieutenants. McGeorge Bundy and Walt Rostow, for instance, urged Bissell on separate occasions to establish a team to engage in what was euphemistically referred to as "executive action," and assassination was to serve as a major component of Operation MONGOOSE.<sup>37</sup> During March and April of 1961, however, the CIA's assassination campaign had failed to bear fruit and the focus of the anti-Castro programme moved to the largest and most overt of all the agency's clandestine operations.

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#### FROM GUERRILLA INFILTRATION TO AMPHIBIOUS INVASION: CIA PARAMILITARY PREPARATIONS UNDER EISENHOWER

From the time that the CIA was first authorised to develop a covert action plan for the removal of Castro, American policymakers failed to set clear enough operational parameters to limit the agency's activities. Although the basic policy paper of the 17 March focused its attention on the development of a guerrilla infiltration programme, the CIA devised the document in such a way as to leave enough scope for the plan to be expanded into a larger venture. Preparations had, for instance, "already been made

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<sup>36</sup>Ranelagh, *The Agency*, p.358.

<sup>37</sup>Church Committee, *Alleged Assassination Plots*, pp.181-187.

for the development of an adequate paramilitary force outside of Cuba, together with the mechanisms for the necessary logistics support of covert military operations on the island." In addition, a limited air capacity already existed under CIA control and could "rather easily be expanded if and when the situation [required]."<sup>38</sup> This was very ambiguous language, for Castro was concurrently strengthening his internal security provisions. With the situation subject to such constant change, determining what was and what was not "an adequate paramilitary force" was bound to come under constant review. Furthermore, by excluding the DDI from any involvement in the Cuba programme, the DDP was able to monopolise the progress reports that reached the president and was therefore in an optimum position to shape the evolution of the venture according to its own designs.<sup>39</sup>

Of the major components that comprised the Cuba project, only the propaganda programme progressed according to plan. Having procured a fifty kilowatt medium wave radio transmitter from the Voice of America, the DDP established its 'propaganda shop' on Swan Island, a dot of land in the Caribbean located between Cuba and Central America. David Atlee Phillips, a veteran of PBSUCCESS who was brought in to manage the psychological warfare offensive, calculated that the Cuban population would need to be exposed to six months of anti-Castro propaganda to pave the way for a paramilitary campaign, whatever its scale. Radio Swan began broadcasting on 17 May 1960, thirty days after Bissell had appointed Phillips and exactly on schedule. Consistent with Washington's desire to be even-handed, the new station attacked Castro and Trujillo in equal measure.<sup>40</sup>

Expediting the political action element of the operation proved to be a far more fractious and ultimately unproductive affair. From the beginning of the Cuban venture, Eisenhower had insisted that the creation of "a popular, genuine government in exile" was essential to provide legitimacy to any subsequent military moves against

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<sup>38</sup>Taylor Board, *Operation Zapata*, p.4

<sup>39</sup>Details of the exclusion of the DDI from the Cuban programme are provided in Robert Amory Jr, OH, p.122, JFKL. Bissell claims that Amory and Sherman Kent, head of the Board of National Estimates, were well aware of what was going on and that the DDI was not ignored, see Bissell, *Reflections of a Cold Warrior*, pp.163-164 for a more extensive debate. The crucial point is that Dulles and Bissell restricted the DDI's access to the president.

<sup>40</sup>Phillips, *Night Watch*, pp.85-91; "Brief History of Radio Swan," Annex 2, box 61A, NSF, JFKL.

Havana.<sup>41</sup> The difficulty was that in selecting an anti-Castro opposition, the CIA was presented with a choice that ranged from former Batista associates to erstwhile proponents of M-26-7 who had either become disillusioned with or fallen foul of the Castro regime. The Eisenhower administration and the hierarchy of the CIA determined that their surrogate Cuban opposition movement should be free of any taint of Batista and be of a left-of-centre political persuasion. It was with these considerations in mind that the agency established the necessary links with the Cuban exile community in Miami and backed the formation of the five group coalition that was to operate under the aegis of Frente Revolucionario Democrático (FRD).<sup>42</sup>

Though some 184 alternative Cuban factions were passed over by the CIA in its efforts to build a viable opposition to Castro, Frente itself proved to be ridden with internecine rivalry.<sup>43</sup> A further problem was that while the agency's hierarchy sought to promote a leftward leaning exile government, E. Howard Hunt, who controlled political action at ground level, was, as well as being another veteran of PBSUCCESS, an arch conservative. As a result, Hunt proved at best reluctant and at worst unwilling to cooperate with Frente's former M-26-7 affiliates. Not only did this accentuate the rifts within the FRD, it caused friction between Hunt and the less politically-motivated CIA operative who was assigned to work with him, Gerry Droller.<sup>44</sup>

Bissell maintains that these adverse developments seriously impaired the overall effectiveness of the Cuba programme. The fact that Radio Swan's broadcasting range was wide enough to reach audiences in Miami as well as Havana led the various factions within Frente to communicate propaganda that reflected their own narrow interests. Thus, unlike the consistent black propaganda that was relayed during PBSUCCESS, on which Phillips's Cuba plan was based, Radio Swan was broadcasting conflicting messages. Of even greater significance was the point that the failure to

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<sup>1</sup>Goodpaster, Memo. of Conference with the President, "A Program of Covert Action Against the Castro Regime," 17 March 1960, folder 14, box 15, Alphabetical Subseries, Subject Series, WHO, ODEL.

<sup>2</sup>Prados, *Presidents' Secret Wars*, p.182.

<sup>3</sup>Chief of WH/4 Branch, CIA, pp.2-5, box 61A, NSF, JFKL; Bissell, *Reflections of a Cold Warrior*, p.155; IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, pp.28-29.

<sup>4</sup>Phillips, *Night Watch*, pp.91-92; Ranelagh, *The Agency*, p.362; Prados, *Presidents' Secret Wars*, p.180.

create a unified opposition-in-exile caused the Cuba programme to become an increasingly American-led affair, and this in turn served indirectly as a key catalyst for the metamorphosis of the venture from a guerrilla infiltration programme into a full-scale amphibious invasion.<sup>45</sup> For its part, the paramilitary component of the Cuba programme was hampered by a still more fundamental problem. The premise on which it was originally based proved to be entirely unworkable, which left the CIA with only two alternatives: either expand the concept beyond recognition or abandon it altogether.

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The Cuba project was first approved on the understanding that its core paramilitary component was aimed at creating a guerrilla organisation based on the OSS World War II resistance model: a strategy that had been applied effectively by the CIA against the Communist Chinese in Tibet. The immediate objective was to train between twenty and thirty well motivated Cuban exiles in sabotage and communications techniques and infiltrate them back into their homeland. A command and control net would consequently be created in Cuba, the purposes of which were: (1) to establish safe houses; (2) to provide a capability for receiving supplies by air, sea, and land; and (3) to ensure that subsequent CIA-trained paramilitary cadres were infiltrated successfully into the island. Following from this the agency-backed insurgents would engage in guerrilla warfare and establish one or more resistance strongholds in Cuba, making contact with existing anti-Castro activists and movements in the process. The conditions would thereby be in place for a more general uprising which, it was hoped, would be galvanised further through the black propaganda being beamed into Cuba via Radio Swan. In the event of the rebellion succeeding, the leaders of Frente would be dispatched to the rebel-held territory in Cuba, where they would announce the creation of an opposition government which the United States would immediately recognise and support.<sup>46</sup>

In accordance with CIA plans, the training of between thirty and one hundred would-be guerrillas began during the late-spring and early summer of 1960 at a secure

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<sup>45</sup>Bissell, *Reflections of a Cold Warrior*, p.156.

<sup>46</sup>*Ibid*, p.154; Ranelagh, *The Agency*, pp.358-359; Taylor Board, *Operation Zapata*, pp.4-5 (for an outline of the CIA's covert action campaign in Tibet, see Prados, *Presidents' Secret Wars*, pp.149-170)

compound outside of Fort Gulick in the Panama Canal Zone.<sup>47</sup> The unfeasibility of the original guerrilla concept, however, quickly became apparent. Of the few infiltration missions that were mounted, the insurgents were captured within forty-eight hours of entering Cuba. There was, as well, a growing belief on the part of leading CIA officials that even if the guerrilla strategy succeeded, it fell short of the "minimum critical mass" necessary to produce a sufficiently strong psychological effect to precipitate a widespread revolt.<sup>48</sup>

In the face of such problems, the CIA decided to expand its paramilitary training cadres into an infantry force of several hundred men supported by a small tactical air force. To accommodate this mushrooming of agency plans, much larger training facilities were set up in Guatemala at Camp Trax, where instruction was provided for the infantry, and at Retalhuleu, which served as the air base. Located some thirty miles apart, these camps began functioning during late August and early September of 1960.<sup>49</sup>

For many observers the most striking aspect of the CIA's change of strategy is that it was initiated by Bissell and that "neither Ike nor the 5412 people were informed of the change until months later."<sup>50</sup> This greatly overstates the case, for as recently declassified material reveals, the moves that were made in August to September 1960 were in essence preparations. Bissell first approved the actual change of strategy in early November 1960, the Special Group was informed on 8 or 9 November, and the new concept was considered by Eisenhower and his aides in the latter part of that month. Allowing the CIA enough autonomy to adapt its plans according to changes in circumstance was, moreover, entirely consistent with Eisenhower's management of covert operations. The president recognised, moreover, that "changes in the current thinking" warranted changes in the DDP's plans.<sup>51</sup>

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<sup>7</sup>First Meeting of General Maxwell Taylor's Board of Inquiry on Cuban Operations Conducted by the CIA," 23 April 1961, box 61A, NSF, JFKL; Prados, *Presidents' Secret Wars*, p.182.

<sup>8</sup>Bissell, *Reflections of a Cold Warrior*, pp.154-155; Gleijeses, "Ships in the Night," 11.

<sup>9</sup>Chief of WH/4, pp.6-7, box 61A, NSF, JFKL; Prados, *Presidents' Secret Wars*, pp.182-183.

<sup>10</sup>Ambrose, *Ike's Spies*, pp.311-312.

<sup>11</sup>Memo. of Meeting with the President (29 Nov. 1960), 5 Dec. 1960, box 5, Presidential Subseries, Special Assistant Series, WHO, DDEL.

Also to be taken into account is the point that, unlike the diplomatic effort mounted during PBSUCCESS, the United States failed to win OAS support for a comprehensive inter-American diplomatic, economic, and if necessary overt military offensive against the Castro and Trujillo regimes.<sup>52</sup> Greater emphasis was consequently placed on the CIA's clandestine action programme. Moreover, as 1960 wore on and Castro strengthened his position as Maximum Leader, supported by increasing quantities of Soviet aid, so the need to move against Cuba became imbued with ever greater urgency. Eisenhower thus voiced no objection when, on 29 November, he was presented with Bissell's proposal to change the central concept of the Cuba operation from a guerrilla infiltration programme to an amphibious invasion. Indeed, the president himself stated that all concerned in the enterprise "should be prepared to take more chances and be more aggressive."<sup>53</sup>

By this time the prospects of maintaining any level of secrecy were non-existent anyhow, as is pointed out in both the Taylor Board report and the CIA Inspector General's inquiry into the Bay of Pigs.<sup>54</sup> To begin with, moves were being made to expand what was now known as the Cuban Expeditionary Force (CEF) from four hundred to two or possibly three thousand men. Such an increase diminished the prospects of keeping the project secret, but when Bissell succumbed to a request by Miguel Ydígoras Fuentes, who was now the Guatemalan president, to use the CEF to help suppress an uprising against his regime in mid-November 1960, the CIA plan was compromised even further. There were, as well, several leakages to the press, the worst of which saw photographs of the CEF's training facilities printed onto the pages of the *Miami Herald*.<sup>55</sup>

In fact, these exposures led Dillon to express reservations at the 29 November meeting at which Eisenhower approved the invasion plan. The operation was argued Dillon, "known all over Latin America." The president was, nevertheless, unperturbed, countering that regardless of whether this was or was not the case, the key objective

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<sup>52</sup>Taylor Board, *Operation Zapata*, p.5; Memo. of Tel. Conversation between Eisenhower and Herter, 25 August 1960, 8/60 folder 2, box 11, Dulles-Herter Series, AWF, DDEL.

<sup>53</sup>Memo. of Meeting with the President (29 November 1960) 5 December 1960, p.2, folder 4, box 5, Presidential Subseries, Special Assistant Series, WHO, DDEL.

<sup>54</sup>Taylor Board, *Operation Zapata*, p.40; IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, p.95.

<sup>55</sup>Prados, *Presidents' Secret Wars*, pp.188-189; Bissell, *Reflections of a Cold Warrior*, p.158.

was "not to let the U.S. hand show." The final decision, he went on, would be Kennedy's but Eisenhower's inclination at the time was to press ahead with the Cuba project.<sup>56</sup>

Statements such as these make Eisenhower's intentions difficult to gauge. In the aftermath of the Bay of Pigs failure, for instance, he was invited by Kennedy to Camp David. During the encounter, Kennedy stressed that "we felt it necessary that we keep our hand concealed in this affair." Eisenhower's response, in direct contradiction of the stance he himself had taken on 29 November, was to point to the futility of such an approach: "Mr. President, how could you expect the world to believe that we had nothing to do with it? Where did these people get the ships to go from Central America to Cuba? Where did they get the weapons and communications?"<sup>57</sup> On the day of Kennedy's inauguration, however, Eisenhower had given the impression of being well-disposed towards the Cuban operation, to the extent that he advised the new president to do his utmost to ensure the project's success.<sup>58</sup>

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#### THE BAY OF PIGS: KENNEDY'S CUBAN INHERITANCE

In relation to the Cuba programme, Kennedy's inheritance was a very difficult one. Once Eisenhower had approved the amphibious invasion plan, the project began to expand far beyond its original proportions. The early months of 1961 saw senior CIA officials, who were apparently ignorant of the plan's shortcomings, grow ever more optimistic about its prospects. During this period the CEF expanded more than threefold, and Special Forces trainers were dispatched to Camp Trax to instruct the brigade in the techniques that would be required for the invasion.<sup>59</sup> Esterline later revealed that he believed that the Cuban enterprise should have been put on hold when the new administration took office in order to permit Kennedy to develop his own options for dealing with Castro. The head of WH/4 went as far as to forward this

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<sup>56</sup>Gleijeses, "Ships in the Night," 12-13.

<sup>57</sup>*ibid*; Eisenhower notes of meeting with JFK, 22 April 1961, Post-Presidential Papers, folder 1, box 11, DDEL.

<sup>58</sup>Reeves, *President Kennedy*, p.32-33.

<sup>59</sup>Wyden, *Bay of Pigs*, pp.65-92.

proposal to Bissell in writing only to be informed that it was not a good idea and that "we would go ahead and develop and continue with our plans that would be put to the new administration."<sup>60</sup>

Even if Kennedy had been afforded such a breathing space, however, JMARC was, by January 1961, gathering considerable momentum. To have postponed the operation would have called for enormous determination on Kennedy's part, backed up with a knowledge of the logistics and pitfalls of intelligence and clandestine action that he simply did not have at this stage. Dulles argued very persuasively, moreover, that cancelling the venture would create its own difficulties, namely the "disposal problem": the danger that demobilised CEF mercenaries, on being transferred from Guatemala to the United States, would speak openly of what they had been involved in and so embarrass the United States government.<sup>61</sup> It was under such pressures that the new president advanced hesitantly towards the Bay of Pigs fiasco.

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#### MISCONCEPTIONS AND HIDDEN AGENDAS

Kennedy was briefed once on the CIA's Cuba plans during the interregnum, on 18 November. Preoccupied with appointing his administration officials and preparing for what was to become the most crowded legislative programme in American history, the president-elect had little time to scrutinise JMARC.<sup>62</sup> What is clear, however, is that Kennedy was an enthusiastic advocate of both the ouster of Castro's government and of Washington's right to use some form of covert action to bring this objective about. The frequently cited argument that the president was not especially culpable for the Bay of Pigs debacle because he was misled by his most trusted advisors, who backed the operation with virtual unanimity, is a myth. The chairman of the Senate Foreign Relations Committee, J. William Fulbright was, of course, the most vociferous opponent of the CIA's plans and made a concerted effort to dissuade Kennedy from going ahead with JMARC. Chester Bowles was, however, also critical throughout and Rusk spoke privately of his reservations with the president. Lyndon Johnson, Arthur

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<sup>60</sup>Interview with Jacob Esterline and Jack Hawkins in Kornbluh (ed.), *Bay of Pigs Declassified*, p.259.

<sup>61</sup>Taylor Board, *Operation Zapata*, p.110.

<sup>62</sup>Helgerson, *Getting to Know the President*, pp.58-60; Andrew, *For the President's Eyes Only*, p.260.

Schlesinger, and Adlai Stevenson, to the extent he was briefed, all expressed similar doubts, and Acheson told Kennedy bluntly that it was not necessary to call in Price Waterhouse "to discover that 1,500 Cubans weren't as good as 25,000 Cubans." Other officials such as the head of the USIA, Ed Murrow, Roger Hilsman, and Chip Bohlen were equally unimpressed, as was Ed Lansdale.<sup>63</sup>

The basic contention of those within or close to the Kennedy administration who opposed the CIA's plan was that whether or not JMARC succeeded, the effects on American interests and prestige could only be negative. Should Castro be overthrown, Fulbright maintained, then Cuba would inevitably become a dependency of the United States, the world would brand the Kennedy administration as a band of imperialists, and the Alliance for Progress would be seriously impaired. State Department Latin America expert Thomas Mann took the argument a stage further in a paper outlining what he regarded as the weaknesses of the CIA's programme. Covert action of the kind proposed would, in Mann's estimation, violate the UN and OAS Charters, and might lead communists and Castroites to incite demonstrations aimed at deposing those Latin American governments that were friendly to the United States throughout the Western Hemisphere.<sup>64</sup>

Kennedy knew of these objections but chose to ignore them for several reasons. He had, after all, fought the 1960 election campaign on an anti-Castro platform, charging the Eisenhower administration with complacency for having allowed Havana to fall under communist control. If, after only three months of taking office, the new president had gone back on his election rhetoric and cancelled the Bay of Pigs operation, he would have attracted Republican accusations of hypocrisy and weakness.<sup>65</sup>

Other, more deep-rooted motives also played a part in influencing Kennedy's willingness to authorise JMARC. Despite the weight of evidence that was emerging in the late-fifties and early-sixties to support the case that the communist world was far

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<sup>63</sup>White, *Cuban Missile Crisis*, pp.32-34.

<sup>64</sup>Randall Bennet Woods, *Fulbright: A Biography* (New York and Melbourne, 1995), p.268; Mann to Secretary of State, "List of Conclusions," 15 Feb. 1961, enclosed in Bundy, Memo to President, 18 Feb. 1961, NSF, box 35, JFKL.

<sup>65</sup>Parnet, *JFK*, pp.45-49, pp.157-163.

from a unified whole, the Kennedy administration clung to the illusion that, in fighting the Cold War, the United States faced a Soviet-controlled monolith. This mistaken assumption had a negative impact on Washington's approach to Cuba, in the sense that it led the Kennedy administration to assume that Castro was Khrushchev's puppet and Cuba was merely a Soviet satellite: a totally erroneous view given that none of the Kremlin's initiatives for dealing with Havana occurred without the Maximum Leader's approval. This basic American misconception, furthermore, was to have a direct impact on the Bay of Pigs venture, for it led the Kennedy administration to underestimate the degree of support that Castro enjoyed within his own borders. Washington consequently held to the mistaken conviction that the Cuban people would rise up against the revolutionary government and dispose of Castro at the first opportunity.<sup>66</sup>

Also significant to the president's enthusiasm for the use of clandestine action against Cuba was the point that the CIA's reputation for removing 'communist stooges' had, over the Eisenhower years, grown enormously. Thus, when Dulles assured Kennedy that the Cuban operation had a greater chance of success than the Guatemala campaign had done in 1954, or that cancelling JMARC would create a disposal problem, the inexperienced president was not inclined to argue.<sup>67</sup> At the same time, Kennedy did raise searching questions with the CIA hierarchy over the strategy and tactics it proposed to use.

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The agency's amphibious invasion concept was committed formally to paper for the first time on 4 January 1961. It envisaged the CEF as seizing and holding a small lodgement on Cuban soil which was to include an airfield and access to the sea. Air

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<sup>66</sup>Schlesinger, *Robert Kennedy*, pp.422-423; White, *Cuban Missile Crisis*, pp.30-31..

<sup>67</sup>When Kennedy asked Dulles about JMARC's chances of success, the DCI said "I stood right here at Ike's desk and told him I was certain our Guatemalan operation would succeed, and, Mr. President, the prospects for this plan are even better than they were for that one." In making this assurance, Dulles either had an uncharacteristic memory lapse or was being economical with the truth. He had actually told Eisenhower that the chances for success for the Guatemala operation were twenty percent. Indeed, the DCI's honesty was in part responsible for persuading Eisenhower to authorise the extra air support (see chapter 4). Schlesinger, *A Thousand Days*, p.242; Taylor Board, *Operation Zapata*, p.110, p.147.

support was seen as crucial, firstly to attack Castro's own Air Force and military installations in preparation for the invasion, and secondly to provide cover and tactical support for the CEF once it landed. The primary objective of the invasion force was to "survive and maintain its integrity on Cuban soil." No attempt was to be made to break out of the lodgement unless and until a general uprising against Castro or overt military intervention by the United States occurred. The CIA, nevertheless, projected that the CEF landings would precipitate a general uprising "by thousands of Cubans who are ready for overt resistance to Castro but who hesitate to act until they can feel some assurance of success." In the event that the venture did not run according to plan, the agency assumed that the lodgement would serve as the site for the establishment of a provisional government. As in the guerrilla infiltration programme, this body would be recognised by Washington along with "other American states," and given military assistance, all of which would "result in the prompt overthrow of the Castro government."<sup>68</sup> Nowhere in this document was there any mention of the CEF becoming guerrillas should the invasion fail. The notion was batted on to the plan by Bissell at a progress meeting on 8 February as part of the effort to persuade the president to go ahead with the project.<sup>69</sup>

From the time that Kennedy was first briefed on this programme as president, on 28 January 1961, through to his authorisation of Operation JMARC in early April of that year, he remained very sceptical about the venture. Alert to State Department criticisms tabled by Rusk, Mann, and Adolf Berle, the president was concerned about the potential political costs that the plan might incur at the UN and in Latin America, and he also had reservations about its chances of success. Kennedy's own strategic preference was for a reversion to the original guerrilla infiltration plan, as he repeatedly pointed out, but he was countered by CIA claims that this was no longer possible. The CEF had, so the agency's argument went, become so committed to the invasion plan and its superiority over any form of guerrilla action that it would have been extremely difficult to persuade the brigade to return to a slow-infiltration mission.<sup>70</sup>

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<sup>68</sup>Memo for Chief, WH/4, 4 Jan. 1961, pp.1-2, Annex 14, box 61A, NSF, JFKL.

<sup>69</sup>Memo. of Discussion on Cuba, 8 Feb. 1961, 9 Feb. 1961, folder 7, box 35, NSF, JFKL.

<sup>70</sup>Reeves, *President Kennedy*, pp.21-95.

The root of the problem for Kennedy was that the strategic objectives that he wished to achieve in executing the plan simply could not be reconciled. Above all other factors, the president insisted that the operation be a "quiet" affair, with the emphasis being placed on plausible deniability. This was unrealistic anyhow, given the number of press leaks that had taken place. More significantly, the very essence of the invasion plan, when taken at face value, hinged on its being conspicuous or "noisy" enough to attract sufficient attention and support in Cuba to incite an uprising.

In attempting to square the circle, Kennedy rejected the most feasible invasion option that the CIA presented to him, the so-called Trinidad plan. A coastal city in southern Cuba, Trinidad was reputed to be a hotbed of opposition to Castro. The agency therefore proposed to centre its invasion here, as the most likely location for precipitating a rebellion. Trinidad was, furthermore, contiguous with the Escambray Mountains, to where the CEF could, according to agency calculations, retreat to become guerrillas if the landings failed. A formal meeting held on 11 March 1961 which included all of the agencies involved in the Cuba programme saw Kennedy veto the Trinidad plan as being too "spectacular."<sup>71</sup> The president was consequently faced with a stark choice. He could either abandon the operation altogether or sanction another plan. In choosing the latter alternative, however, he needed to act quickly. It was under such pressures that Kennedy opted for an ill-considered compromise and authorised the Zapata plan.<sup>72</sup>

Two factors stand out in relation to the selection of Eastern Zapata and the Bay of Pigs as the location for an amphibious invasion. The first was the unsuitability of the terrain. The area was predominantly swampland and reefs hampered the approach to the Bay of Pigs. The region was only thinly populated, which in a sense was to the CEF's advantage since it enhanced the prospects of a quiet landing. At the same time, the focusing of the invasion on a sparsely populated area limited the potential of an uprising to take place and in view of the fact that the new landing site was more than forty miles from the Escambray, the CIA's much vaunted guerrilla option was completely unfeasible. Logistically, Zapata boasted a poorly maintained airstrip that was just large enough to accommodate the exile air force. This was, however, more

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<sup>1</sup>Bissell Rebuttal, Kornbluh (ed.), *Bay of Pigs Declassified*, p.157; Taylor Board, *Operation Zapata*, p.8-13.

<sup>2</sup>Prados, *Presidents' Secret Wars*, p.191; Bissell, *Reflections of a Cold Warrior* pp.161-162.

than offset by the fact that the region lacked Trinidad's docks, which meant that most of the CEF's supplies would have to come across open beaches.<sup>73</sup>

The second point about the Zapata plan was the speed at which it was approved. It was devised by WH/4 between 11 and 14 March, reviewed by the JCS the following day, and authorised by Kennedy on 16 March. The president set two conditions in sanctioning the plan. He reserved the right, as Eisenhower had done, to cancel the operation up to twenty-four hours prior to the landing, and he stipulated that the invasion take place at nighttime rather than at dawn, as the CIA-JCS plan had projected.<sup>74</sup> This decision displayed a lack of understanding on Kennedy's part of the logistics of covert action and of military activities generally. The United States had in fact never mounted an amphibious invasion at night. The president's inexperience again shone through when he asked Bissell whether air strikes were necessary. Kennedy, to quote the DDP, "wouldn't take yes for an answer."<sup>75</sup>

In his approach to the CIA's Cuba programme, then, the president was impetuous in the sense that he wanted to live up to his campaign rhetoric and move surreptitiously against Castro as soon as possible. At the same time, Kennedy displayed a hesitancy in sanctioning Operation JMARC, a plan that he was never fully confident in, but which he approved under pressure of circumstance without the support of intelligence advisory bodies such as the PBCFIA and the OCB. However, the judgement and assumptions of the CIA officers who were involved in the Cuba programme, from Dulles down to Hunt, were if anything more flawed than the president's.

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A serious fault in the agency's planning, for instance, stemmed from its belief that the Guatemala model could be applied to Cuba. Tactics such as the Radio Swan propaganda offensive, which proved effective during PBSUCCESS, failed during the Cuba campaign, as has been demonstrated, because of internecine conflict among the

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<sup>73</sup>Wyden, *Bay of Pigs*, pp. 101-102; Higgins, *Perfect Failure*, pp. 95-96

<sup>74</sup>Taylor Board, *Operation Zapata*, pp. 13-16.

<sup>75</sup>Evaluation of Military Aspects of Alternate Concepts, CIA Para-Military Plan, Cuba, 15 Mar. 1961, Annex 12, box 61A, NSF, JFKL; Prados, *Presidents' Secret Wars*, p. 199; Bissell, *Reflections of a Cold Warrior*, p. 170.

anti-Castro opposition groups. The Maximum Leader was, moreover, forewarned of the danger of United States mounting a covert operation against his government precisely because of Arbenz's ouster, the unsuccessful use of similar tactics against Sukarno, and the various sabotage missions that the CIA mounted against Cuba from late-1959 onwards. Castro had consequently neutralised existing opposition in Cuban society to his regime – the landowners, foreign business interests, and elements of the Army. He was therefore able to prepare for the prospect of CIA action without fear of internal dissent and in the knowledge that his irregular militia would remain loyal.<sup>76</sup>

Deeper misconceptions also informed the agency in its efforts to unseat Castro. During the Eisenhower years, a tendency developed for the CIA to celebrate 'victories' such as the Iran and Guatemala operations and ignore defeats such as HIKE. This bred a feeling of omnipotence that permeated the DDP and created the conviction that the Cuban campaign would inevitably succeed. Dulles, Bissell, and the WH/4 mission knew that the majority of Cubans supported Castro, just as the majority of Guatemalans had supported Arbenz. The CIA hierarchy, however, also believed that, as in the Guatemala model, most Cubans were intrinsically apathetic and when faced with an American-backed invasion they would put their political affiliations to one side and join the 'winner.'<sup>77</sup>

There was, as well, a duplicitous dimension at work in the agency's conduct of the Cuban operation, as is evident from the fact that the agency failed to consult with or advise Kennedy on its plans for the second phase of the project: the contingencies to be implemented after the CEF had captured and held the beachhead. Bissell has justified this failure in communication by maintaining that the making of definite provisions for phase 2 and any subsequent stages of the operation was very difficult until the outcome of phase 1 was known.<sup>78</sup> While this argument certainly has some merit, it does not provide a satisfactory explanation for the CIA's unwillingness to fully discuss its plans with the president. Indeed, Dulles himself admitted that throughout

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<sup>76</sup>Rabe, *Eisenhower and Latin America*, p.131.

<sup>77</sup>Interview with Esterline in Piero Gleijeses, "Ships in the Night," 41; Thomas, *The Very Best Men*, p.125; Bissell, *Reflections of a Cold Warrior*, pp.88-90; Kornbluh labels the CIA's lack of respect for its enemy as being typified by the "'Bissell mindset,' a combination of imperial arrogance, ethnocentric ignorance, and a false sense of U.S. omnipotence," see *Bay of Pigs Declassified*, p.17.

<sup>78</sup>Bissell, *Reflections of a Cold Warrior*, pp.194-195.

the Cuban operation, the agency was aware of the inherent drawbacks in its planning but was vague when dealing with Kennedy. In essence, the DCI and his principal deputies did not want to raise questions such as how JMARC could be kept quiet and disavowable yet still arouse internal dissent, and how the whole campaign could achieve its objectives without the support of American combat forces. By consciously avoiding these difficult issues, the agency prevented Kennedy from addressing the operation's most searching arguments which, had they been examined in detail, might have "hardened the decision against the type of action we (the CIA) required."<sup>79</sup>

A major element of the CIA's plan was, for example, the projection that the invasion would light the touch paper for a widespread revolt. There was, however, little in the way of solid evidence to support this proposition, for though the DDP left a net of some 27 agents in Cuba when Washington broke off diplomatic relations with Castro's country, WH/4 had no intelligence support section. There was, in turn, "no intelligence support covering the internal political situation inside Cuba."<sup>80</sup> What information that Dulles and Bissell did have at hand suggested that the prospects of JMARC succeeding were very slim, because the agency's incoming National Intelligence Estimates were reporting that internal opposition was generally ineffective and that Castro enjoyed enormous popular support.<sup>81</sup> The exclusion of the DDI from the Cuban programme, however, ensured that these details were withheld from Kennedy. In reality, there was no way of determining the potential for an uprising until the beachhead was established, but the information that Dulles and his agency colleagues were party to suggested that the prospects were not good.

Equally misleading was the CIA's contention that the CEF could adapt to become guerrillas if the invasion failed. Even if the agency had ignored the fact that its earlier efforts to mount a guerrilla campaign had proved fruitless, the Zapata region was, as has already been pointed out, more than forty miles from the Escambray mountains. Dulles and Bissell, nevertheless, sold the guerrilla backdrop option to Kennedy, not because it was tactically feasible but because it could be presented as a fail-safe

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<sup>79</sup>Lucien S. Vandenbroucke, "The Confessions of Allen Dulles," *Diplomatic History* 8(Fall 1984): 365-375.

<sup>80</sup>IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, pp.63-66, quote on p.66.

<sup>81</sup>Paramilitary Study Group Meeting, "Cuban Internal Situation," 18 May 1961, Annex 20(b), box 61A, NSF, JFKL; Wyden, *Bay of Pigs*, pp.93-94.

device. In effect, it reassured the president that the risks involved in sanctioning JMARC were less than was actually the case: that in the event of the invasion going awry, the operation could still succeed, though to a more limited degree. Deceptive and impractical though it was, the introduction of this safety-net option served CIA designs well, for as the Taylor Inquiry made plain, Kennedy was greatly influenced by the guerrilla backdrop in approving JMARC.<sup>82</sup> This and the other duplicitous measures to which the agency resorted, however, came about as a result of the fact that the CIA leadership had long harboured a hidden agenda for dealing with the Maximum Leader.

Leaving aside Bissell's claim that Eisenhower considered manufacturing a pretext in order to justify a military invasion of Cuba during his final days as president, official records suggest that both he and Kennedy were unyielding in their determination not to permit JMARC to spark any form of overt intervention by United States against Castro.<sup>83</sup> Despite this, the CIA recruited pilots and planes from the Air National Guard to supplement the exile brigade's air force, and used American frogmen teams to mark out the landing beaches once JMARC was under way.<sup>84</sup> That these moves constituted a direct defiance of the official American line is self evident, but they were also indicative of the reasoning that informed the agency throughout the Cuba programme: a logic that said, regardless of the policies that Washington held prior to a CEF invasion of Cuba, the White House would do whatever was necessary, including committing United States troops, to prevent the operation from failing.<sup>85</sup>

The CIA's game-plan was therefore aimed firstly at persuading Kennedy to approve JMARC, which they did by giving optimistic forecasts on the potential for success through repeated assurances that the guerrilla option would serve as an indemnity. Dulles and Bissell assumed that in opting for this course, the president would also approve the full quota of airstrikes that had been outlined in the plan. CIA calculations do not, however, appear to have envisaged the exile air force as enabling fifteen hundred men to break out of the lodgement and advance on Havana against the full

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<sup>82</sup>Taylor Board, *Operation Zapata*, p.59, pp.41-42.

<sup>83</sup>Bissell, *Reflections of a Cold Warrior*, p.161; *FRUS 1958-60*, Vol.6: 1002; *JFK Public Papers*: 258-260; Higgins, *Perfect Failure*, pp.58-153.

<sup>84</sup>Prados, *Presidents' Secret Wars*, pp.184-185, p.204.

<sup>85</sup>Vandenbroucke, "The 'Confessions' of Allen Dulles," 370-373.

might of the Cuban Army. As Bissell later reflected, the number of air crews and bombers available for the task would have been stretched under the best of circumstances. Indeed, even in the weeks leading up to the Bay of Pigs operation, JCS projections anticipated that, in the absence of a popular uprising or substantial CEF reinforcements, Castro's forces could reduce the beachhead regardless of whether or not the brigade's plane's had gained control of the air.<sup>86</sup>

Rather, airpower was viewed by the CIA as being crucial to JMARC because it would enable the CEF to hold the lodgement for a number of days. In the likely event that an uprising failed to materialise during this time, Dulles and Bissell would be in an optimum position to inform the president that: (1) the presence or absence of hard evidence of American involvement in the operation had little bearing on widespread domestic and international perceptions that the United States was the CEF's sponsor; (2) the brigade was ill-equipped to do anything other than hold its ground for a limited period; and (3) the guerrilla option was, under the circumstances, unfeasible. The agency leadership could subsequently invoke its hidden agenda, arguing that, other than allowing the operation to fail, the president had only one choice, which was to intervene openly in support of the CEF.<sup>87</sup>

For the CIA, then, the second phase of JMARC meant only one thing, overt intervention by the United States military against Cuba and the airpower element of the Bay of Pigs campaign was designed to act as the essential trigger to bring this about. This differed entirely from Kennedy's assumption that the invasion would either trigger the collapse of the Castro regime or failing that the CEF would transform itself into a guerrilla force in the face of an effective counterattack by Castro.<sup>88</sup> In the case of Cuba the covert action contingencies devised by the CIA did not, in essence, serve American foreign and defence policy, rather they attempted to commit Kennedy to a course of action that he was determined to avoid. Culpability for failing to ensure that the president was fully and comprehensively advised in the run-up to his decision to

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<sup>86</sup>Bissell, *Reflections of a Cold Warrior*, p.188; "Military Evaluation of the CIA Para-Military Plan, Cuba," enclosed in Lemnitzer to Secretary of Defense, 3 Feb. 1961, p.2, Annex 9, box 61A, NSF, JFKL.

<sup>87</sup>Gleijeses, "Ships in the Night," 38-40;

<sup>88</sup>*ibid*; Grose, *Gentleman Spy*, pp.5181-526; IG Report, Annex D, Revised Cuban Operation, 15 Mar. 1961, Kornbluh (ed.), *Bay of Pigs Declassified*, p.126-127.

sanction JMARC was not, however, the CIA's alone. The Joint Chiefs of Staff also bore some responsibility in this respect.

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### THE JOINT CHIEFS' ROLE

The first measure that Kennedy implemented following his initial presidential briefing on the Cuba programme, on 28 January 1961, was to order the JCS to make a full assessment of the CIA plan. In response, the Pentagon appointed a working group which evaluated the "CIA Paramilitary Plan, Cuba." The Joint Chiefs approved the group's findings, forwarding them to McNamara on 3 February and the report was presented for discussion at a full-scale presidential meeting five days later.<sup>89</sup>

The most striking aspect of these proceedings was that the two documents that comprised the Joint Chiefs' findings, the full report and the shorter executive synopsis that was meant to summarise the longer paper, contradicted one another. The full report was deeply critical of the logistical, strategic, and tactical elements of the CIA's plans, and in fact the chairman of the JCS, General Lyman L. Lemnitzer, outlined these shortcomings in person to McNamara. Equally disconcerting to Lemnitzer and his colleagues was the unsubstantiated assumption of an uprising. Taking these and other considerations into account, the full report held out little hope of the CEF succeeding "against moderate, determined resistance." The executive summary, on the other hand, put a different complexion on the JCS evaluation. While it referred to some of the criticisms that were examined in depth in the full report, the shorter synopsis concluded that the Joint Chiefs believed that "the timely execution of this plan has a fair chance of ultimate success."<sup>90</sup>

What "a fair chance of ultimate success" actually meant is open to speculation. The full report, for example, warned that Castro's Army could eventually reduce the beachhead, which implied that a rapid breakout from the landing perimeter by the CEF was imperative. Yet the executive summary defined "success" as the ability to

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<sup>89</sup>"Military Evaluation of the CIA Para-Military Plan, Cuba," enclosed in Lemnitzer to Secretary of Defense, 3 Feb. 1961, Annex 9, box 61A, NSF, JFKL.

<sup>90</sup>*ibid*

"survive, hold ground, and attract Cuban support."<sup>91</sup> The crucial point is, however, that it was Bissell and not Lemnitzer who presented the JCS findings at the 8 February meeting. In doing so, the DDP cited the executive summary, emphasising the optimistic note on which it concluded. For their part, McNamara and the Joint Chiefs remained silent throughout the meeting, despite the fact that the CIA had given a skewed interpretation of the Pentagon's analysis.<sup>92</sup>

Bissell suggests that the reluctance of the Defense Department representatives to give full voice to their concerns about the Cuba plan came about as a result of the fact that the CIA "had the action" on this issue. It was, in short, the agency that was responsible for guiding this project through government. There was, the former DDP goes on to say, an unwritten rule in the Washington bureaucracy that agencies which were less involved in any given issue respected the prerogatives of those who "had the action" on that issue. In regard to the Cuba plan, the JCS remit was only to respond to Kennedy's request for a review of the operation's military aspects. Once this was done and the Joint Chiefs had fulfilled their basic task of advising the president, then the Pentagon held back from making its criticisms of the Cuba programme too pronounced because responsibility for the venture rested with the CIA.<sup>93</sup>

True as these points might be, they do not alter the fact that the JCS hedged their bets. The full report made the Joint Chiefs' own position clear to the few individuals who were willing or able – given the time constraints – to read it, but it also served as an insurance policy in the event of the invasion ending in disaster and an inquiry being launched to determine, among other matters, the extent to which the Defense Department was culpable. The shorter executive summary, in ending on a positive note, gave the CIA enough rope to hang itself but not the JCS, because this document also contained the reservation that "the combat worth of the assault forces is based on second and third-hand reports." This in fact was the only significant concern that McNamara and the Joint Chiefs appear to have raised at the 8 February meeting. A

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<sup>91</sup> *ibid*; Taylor Board, *Operation Zapata*, p.9.

<sup>92</sup> Bissell, *Reflections of a Cold Warrior*, pp.166-167.

<sup>93</sup> *ibid*, p.198.

three man team of Army, Navy, and Air Force officers were consequently sent to Guatemala between 24 and 27 February to evaluate the CEF first-hand.<sup>94</sup>

On submitting their report on the combat-worthiness of the exile brigade on 11 March, however, the Joint Chiefs again took measures to insulate themselves against the potential of a future backlash. While the assessment of the troops was positive, the JCS added a further reservation about the plan. Although surprise was essential to the mission's success, the odds against achieving surprise were gauged by the military to be 85-15, and the loss of surprise could, according to JCS projections, lead to the destruction of part or all of the invasion force.<sup>95</sup> The Pentagon thus seems to have been more concerned about protecting its own back than advising the president in the weeks prior to his authorising of JMARC. McNamara, perhaps because he was new to the job of Secretary of Defense, was a willing participant in the proceedings, deferring to the Joint Chiefs rather than providing them with policy direction. There is, moreover, some evidence of the JCS being aware of the CIA's hidden agenda to use the CEF invasion to trigger overt American intervention. While the brigade was fighting for the beachhead at the Bay of Pigs on 18 April, Admiral Arleigh Burke, the Navy Chief of Staff and the most active of all the American military leaders in Operation JMARC as he had been during HIKE, dispatched two battalions of marines to the ships cruising off Cuba. This was a preparatory move made in readiness for a reversal of Kennedy's position on overt intervention in order to salvage the botched invasion.<sup>96</sup>

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#### THE UNANIMOUS SILENCE

On 4 April 1961, Kennedy conducted a final session on the Bay of Pigs with his top advisors. After a succinct briefing by Bissell on the supposed merits of the venture, the president asked each official for an assessment of the plan and an opinion on whether or not it should be approved. What stands out most about this gathering is that while several, perhaps even the majority, of those present either had reservations

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<sup>94</sup> Lyman Lemnitzer to Robert McNamara, Memo. for the Secretary of Defense, 11 March 1961, Annex 10, box 61A, NSF, JFKL.

<sup>95</sup> *ibid*; Taylor Board, *Operation Zapata*, pp.10-12.

<sup>96</sup> Grose, *Gentleman Spy*, p.523; Vandenbroucke "The 'Confessions' of Allen Dulles," 371.

about JMARC or opposed it outright, all except Fulbright gave their blessing to the operation. Rusk, Mann, and Berle, all of whom had hitherto opposed the project, voted to proceed, and Schlesinger, to his lasting regret, remained silent.<sup>97</sup> It seems incredible that Lemnitzer, knowing full well the logistical and strategic inadequacies of the plan, should have sat passively while Bissell once again assured Kennedy and all of those assembled of the viability of the operation. Clearly an advocate of the theory which says that if a point is repeated often enough then it becomes true, the DDP, according to Fulbright's recollection, stated "if anything unexpected happens then they (the CEF) could *easily* (author's own emphasis) escape to the Escambray Mountains. So it (the plan) couldn't fail."<sup>98</sup> This was manifestly untrue, as Paul Nitze, who also attended the meeting, knew. He had been persuaded earlier by Lansdale that JMARC was ineptly organised, based on a number of false assumptions, and doomed to failure.<sup>99</sup> Yet Nitze also voted to give the green light to the Bay of Pigs operation.

The most feasible explanation for why so many usually strong-willed individuals balked from voicing their doubts is that they already knew what Kennedy's intentions were.<sup>100</sup> He had, after all, made his position vis-à-vis revolutionary Cuba abundantly clear throughout the 1960 election campaign and during his early weeks as president. The Attorney General was, furthermore, widely rumoured to have resorted to heavy-handed tactics prior to the meeting, to intimidate doubters such as Bowles into supporting the plan. For the president and his brother, then, group loyalty took precedence over advice that did not conform to the Kennedy line.<sup>101</sup> Those who were asked to comment on JMARC were therefore too inhibited to spell out their own views and in the process call the underlying assumptions of the president into question – especially so early in the administration. Even Fulbright admitted to feeling

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<sup>97</sup>Schlesinger, *A Thousand Days*, pp.251-256; Reeves, *A Question of Character*, pp.265-266.

<sup>98</sup>Randall Bennett Woods, *Fulbright: A Biography* (Cambridge, 1995), pp.267-268.

<sup>99</sup>Paul Nitze, *From Hiroshima to Glasnost: At the Centre of Decision* (New York, 1989), pp.183-185.

<sup>100</sup>The officials present at the 4 April meeting were: Rusk, McNamara, and Dillon, Fulbright, Nitze, Schlesinger, and William Bundy, Assistant Secretary of State for Inter-American Affairs, Thomas Mann – Mann was actually appointed U.S. Ambassador to Mexico between 4 April and the start of Operation JMARC – and the chairman of the Kennedy Task Force on Latin America, Adolf Berle; Dulles and Bissell represented the CIA, and Lemnitzer and General Thomas D. White represented the JCS.

<sup>101</sup>Ranelagh, *The Agency*, p.367; Schlesinger, *A Thousand Days*, p.362

intimidated at the meeting and his security of political tenure was not dependent on Kennedy's good will, as was the case with the administration officials who were present.<sup>102</sup> In short, the president was not really looking for advice on 4 April. Rather he was asking for confirmation that he was wearing a full set of new clothes when in reality he was stark naked.

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## INVASION

The CEF set sail for Cuba between 11 and 13 April, not from Guatemala but from Puerto Cabezas on the eastern coast of Nicaragua (see appendix 15). A fundamental divergence of priorities between the CIA on the one hand and Kennedy on the other, however, ensured that the operation ran into serious difficulties before the brigade reached its destination. The agency leadership assumed that the president recognised the importance of airpower to the campaign and that he would authorise enough sorties to incapacitate Castro's Air Force and neutralise his microwave radio links. These tactics were designed to maximise the capacity for the exile air force to gain control of the skies and so optimise the CEF's prospects of holding the beachhead. Equally crucial was the destruction of the microwave radio links since this measure would, if successful, force the Cuban military to resort to open voice communications, thereby enabling the CIA to monitor and consequently anticipate both the strategies being deployed by the enemy and the strength and morale of the forces arrayed against the CEF.<sup>103</sup>

For Kennedy, plausible deniability took precedence over any other consideration once JMARC was under way. Efforts to conceal the American hand were immediately compromised, however, when a CIA plan to make the first exile bombing missions, scheduled for 15 April, appear to be the work of pilots defecting from Castro's Air Force backfired. For the purposes of this scam, the agency acquired two extra B-26s, which were painted with Cuban markings and flown directly from Nicaragua to Florida, where the occupants disembarked and gave the cover story. The agency's

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<sup>102</sup>Neustadt, Richard E. and Ernest R. May, *Thinking in Time: The Uses of History for Decision Makers* (London, 1988), pp.140-141; Woods, *Fulbright*, pp.266-268.

<sup>103</sup>Prados, *Presidents' Secret Wars*, p.200; Ranelagh, *The Agency*, pp.367-368; Bissell, *Reflections of a Cold Warrior*, p.171.

deception was, however, compromised by a hawk-eyed journalist who noticed and reported that the nose assemblies of the planes differed from those used by Castro's Air Force. Thus, when the Cuban ambassador to the UN claimed that the United States was behind the raids and an unwitting Stevenson tried to refute the charges by producing photographs of the defecting aircraft as evidence, his statement was unmasked as a fabrication – much to Stevenson's chagrin.<sup>104</sup>

Following this embarrassing incident, Kennedy faced the dilemma of how to press on with JMARC and simultaneously avoid any further exposures of Washington's role in the venture. It was under such pressures that he made the two conflicting decisions, on 16 April, to give his final authorisation for the invasion to proceed and to cancel all further air strikes.<sup>105</sup>

Exactly why the president became convinced that the bombing raids, which had featured so prominently in the CIA's plans, were not necessary, remains a matter of considerable conjecture. Wyden suggests that Kennedy was swayed by the advice he received from Rusk. The Secretary of State's views on what was and what was not required to engage in guerrilla and unconventional warfare were shaped by his experience as an Army colonel in the China-Burma-India theatre during World War II. He maintained that in a guerrilla campaign of the kind that was planned against Cuba, air cover was not necessary.<sup>106</sup> The point was that JMARC was not strictly a guerrilla operation, it was an invasion, which demonstrates that a fundamental misunderstanding about the nature of the venture existed at the highest levels of government.

Still more far-reaching considerations, however, informed the president's decision to back-pedal on the issue of airpower. Among all of the concerns that preoccupied the White House during the Bay of Pigs campaign, anticipating Moscow's possible responses to the enterprise was paramount, and these calculations proved imperative in the decision to cancel the second batch of bombing raids. As Kennedy explained to Eisenhower in the aftermath of JMARC, continuing with the air strikes would have unmasked Washington's role in the invasion and this in turn would have presented

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<sup>104</sup>Taylor Board, *Operation Zapata*, pp.127-130; Prados, *Presidents' Secret Wars*, p.202.

<sup>105</sup>Rusk, *As I Saw It*, pp.210-212.

<sup>106</sup>Wyden, *Bay of Pigs*, p.200; Rusk, *As I Saw It*, pp.211-212.

Khrushchev with an excuse to move on West Berlin. Instigating such a chain of events was, for Kennedy, simply not worth the risk.<sup>107</sup> Though the president's concerns were exaggerated in this respect as a consequence of his erroneous conception of Cuba as a Soviet satellite which the Kremlin was committed to protect, Khrushchev moved in such a way as to confirm Kennedy's fears. On 18 April the Russian leader cabled a message to Washington stating, "it is hardly possible to handle matters in such a way as to settle the situation and put out the fire in one area while kindling a new conflagration in another area."<sup>108</sup>

If the cancellation of the second wave of bombing missions had a key influence on the outcome of the Bay of Pigs operation, so too did the absence of Dulles from Washington "on the eve of the most serious undertaking of his career as Director of the CIA."<sup>109</sup> As part of the effort to limit suspicions of there being any American involvement in JMARC, the DCI left the United States on Saturday 15 April to fulfil a weekend speaking engagement in Puerto Rico. This meant that Dulles, who on leaving had not contemplated any postponement of the air strikes, was not available to put the CIA's arguments across after Kennedy had postponed the second batch of bombing missions. The task was left instead to DDCI General Charles Cabell and Bissell, both of whom were given the option by Rusk, on the evening of 16 April, of putting the agency's case to the president. Believing themselves as having been presented with a *fait accompli*, they declined the Secretary of State's offer.<sup>110</sup>

McGeorge Bundy later maintained, however, that he had a strong feeling that Kennedy would have reversed his decision if the military had told him that the operation would fail without air support.<sup>111</sup> Whether Dulles's arguments would have carried as much weight as Bundy believed the Pentagon's would is a matter of pure speculation. What can be said with near certainty is that Kennedy would have been under greater pressure to at least listen to the arguments on the CIA's side of the ledger if the DCI had been present to put them forward. Dulles had greater professional clout than his senior

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<sup>107</sup>Reeves, *President Kennedy*, p.95, pp.99-103.

<sup>108</sup>Khrushchev quote in White, *Cuban Missile Crisis*, pp.37-38.

<sup>109</sup>Quoted in a letter from McCone to Bissell, 19 March 1986, in Bissell, *Reflections of a Cold Warrior*, p.196.

<sup>110</sup>Allen W. Dulles, OH, pp.29-30, JFKL; Taylor Board, *Operation Zapata*, pp.18-21.

<sup>111</sup>Grose, *Gentleman Spy*, p.520.

subordinates, and as a well-connected Republican he also had some political influence, which Kennedy, who was acutely conscious of the political ramifications of JMARC – both domestic and international – could not ignore.

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The CEF invasion of Cuba began on 17 April 1961, but a lack of foresight and experience on the part of the Kennedy administration coupled with inept planning on the part of the CIA had doomed the enterprise to failure long before this date. The brigade's problems began when it encountered reefs on the approach to the main landing site near Gíron, code-named Blue Beach, which meant that though the men reached the landing area much of their equipment did not. The CEF transport ships, *Houston* and *Rio Escondido*, were therefore stranded off-shore and without air support they soon proved easy targets for the Cuban Air Force.<sup>112</sup>

Castro's military forces were in fact well prepared for an invasion and by Tuesday 18 April, they were isolating and driving back the insurgency. That evening, Kennedy hosted the annual White House reception for members of Congress, after which he called a meeting of his top advisors on the crisis that was confronting the United States at the Bay of Pigs. If ever there was an optimum moment for the CIA to invoke its hidden agenda it was at this gathering. Yet once again Dulles was missing, having left the reception early. The onus was consequently on Bissell to attempt to rescue the situation, but he stopped short of requesting direct intervention, claiming instead that JMARC could be saved if Kennedy would authorise the use of jets from the Aircraft Carrier, *Essex*, which was cruising off the Cuban coast. Still determined, quite unrealistically, to conceal American involvement in the Bay of Pigs venture, the president agreed only to a futile compromise. Six unmarked jets from the *Essex* would be permitted to fly over the landing perimeter to protect CEF ammunition supply flights from Nicaragua. This would have been too little too late if the jets had arrived on time. As it was, they arrived late and made no difference to the outcome of Operation JMARC, which ended on the afternoon of Wednesday 19 April with the surrender of the CEF.<sup>113</sup>

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<sup>112</sup>Taylor Board, *Operation Zapata*, pp.21-25; Wyden, *Bay of Pigs*, pp.210-289.

<sup>113</sup>Wyden, *Bay of Pigs*, pp.210-289; Taylor Board, *Operation Zapata*, pp.25-35.

Central to the JMARC debate is the issue of whether the defeat of the CEF arose from incompetent management and a deliberate effort to mislead Kennedy on the part of the CIA or from the failure of the president and the wider Executive to take full cognizance of the operation and its possible ramifications, and either abandon it or ensure that it achieved its objectives.<sup>114</sup> For sure, a considerable portion of the blame lies with Dulles and especially Bissell. If the DDP thought that the Trinidad plan had any chance of success, then he knew that the Zapata plan did not, if for no other reason than that Esterline and Jack Hawkins, the operation's senior paramilitary specialist, told him so.<sup>115</sup> Yet he, Bissell, agreed to the change in location for the CEF invasion and continued to advise Kennedy that the operation was feasible. As much as the charge of duplicity can be levelled at Bissell, however, Kennedy allowed himself to be misled and his closest advisors told him what they thought he wanted to hear, rather than voice the serious misgivings that a majority of them later claimed to have entertained about JMARC.

It has now become standard when studying the Bay of Pigs, to ask the same question that Kennedy asked himself in its immediate wake: how could the president have been so stupid? Piero Gleijeses perhaps came closest to answering this question when he maintained that JMARC was approved "because the CIA and the White House assumed that they were speaking the same language when, in fact, they were speaking in utterly different tongues."<sup>116</sup> Lack of communication aside, the most crucial drawback in JMARC was that its success hinged on the removal of Castro without damaging the political prestige of the United States: objectives that became irreconcilable once rumours about the operation became widespread and plausible deniability was severely compromised. Kennedy was not sufficiently alert to this point. As a consequence, he made political compromises, with the change from Trinidad to Zapata and the cancellation of the airstrikes, which were intended to hide the American hand but which completely neutralised any military viability that the plan might have had.

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<sup>14</sup>This is at the core debate between the IG Report, and the Bissell Rebuttal, see Kornbluh (ed.), *Bay of Pigs Declassified*, pp.23-102, pp.133-225.

<sup>15</sup>Interview with Esterline and Hawkins *ibid*, pp.262-264.

<sup>16</sup>Gleijeses, "Ships in the Night," 1.

Dulles characterised the Bay of Pigs operation as "a sort of orphan child JFK adopted," an enterprise that "he had no real love or affection for."<sup>117</sup> Kennedy did not, however, need to "love" JMARC, he needed to examine the plan from all angles and decide whether or not to proceed with the project on the strength of its strategic and logistical merits as well as its potential political repercussions. He failed to do this, as he was forced to admit to Eisenhower at Camp David three days after the brigade's defeat.<sup>118</sup> Kennedy was, furthermore, enthusiastic about the central aim of JMARC, which was the removal of Castro, and the American president's determination to achieve this objective did not in fact diminish after the Bay of Pigs, regardless of the various inquiries that followed in its wake. The issue after April 1961 was essentially one of method, of how to devise a more effective covert action strategy than JMARC had been to bring about the downfall of the Castro regime.

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#### AFTERMATH

Three major investigations were launched in the aftermath of Operation JMARC. Kennedy, whose faith in the CIA and the military plummeted as a consequence of the Bay of Pigs, initiated a government-wide presidential commission, headed by Maxwell Taylor; the CIA's Inspector General, Lyman Kirkpatrick, conducted an internal investigation of the agency at the behest of Dulles; and Bissell organised an in-house inquiry at the DDP, which was drafted by his deputy, Tracy Barnes.<sup>119</sup> Of the three reports, Kirkpatrick's proved to be the most penetrating and damning. The Inspector General trained his fire on the leadership of the CIA and on the DDP in a deeply personalised investigation.<sup>120</sup> Kirkpatrick had originally worked in the DDP, but had contracted polio in 1952, after which he was transferred to the DDA. This, the

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<sup>17</sup>Grose, *Gentleman Spy*, p.516; Memo. for the Record, Rules of Engagement, Operations BUMPY ROAD, undated, p.3, Annex 29, box 61A, NSF, JFKL..

<sup>18</sup>Reeves, *President Kennedy*, pp.102-103.

<sup>19</sup>Taylor Board, *Operation Zapata*. IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, pp.23-102; Bissell Rebuttal, *ibid*, pp.133-225.

<sup>20</sup>IG Report, Kornbluh (ed.), *Bay of Pigs Declassified*, pp.23-102; for an earlier, abridged version of Kirkpatrick's findings see Lyman B. Kirkpatrick, "Paramilitary Case Study – The Bay of Pigs," *Naval War College Review* (Nov-Dec 1972): 32-42.

Inspector General believed, had hampered his promotional prospects, and the Bay of Pigs inquiry presented itself as an opportunity for Kirkpatrick to prove his mettle and pave the way to the achievement of his professional ambition – accession to the directorship of the agency. His report was, however, looked on as something of a hatchet-job, administered by a bitter official who, in his efforts to settle old scores, undermined his own professionalism and incurred the wrath of both Dulles and the DCI-Designate, John McCone.<sup>121</sup> Thus, rather than being scrutinised as part of a constructive reappraisal of the CIA and its covert action mission, the Kirkpatrick report was assigned to the agency vaults, with Bissell's and Barnes's inquiry, which was essentially a rebuttal of the Inspector General's findings, permanently attached.<sup>122</sup>

The striking point about the investigations of the DDP and the Taylor Commission is that prominent amongst those who were selected to conduct these inquiries were individuals who had been directly involved in the Bay of Pigs project. The DDP investigation, for example, was headed by Barnes, who as Assistant Deputy Director of Plans (ADDP) was second only to Bissell in the planning of JMARC.<sup>123</sup> Of the three appointees who headed the Taylor Commission, two, Allen Dulles and Admiral Arleigh Burke, were heavily implicated in the Bay of Pigs failure: and at the highest level. The fact that Dulles was forced to resign as a result of the Cuban debacle is evidence enough of his role in the affair. For his part, Admiral Burke was Chief of Naval Operations during the JMARC programme.<sup>124</sup>

If Kennedy hoped to make a radical reorganisation of the CIA, as he stated in the aftermath of the Bay of Pigs, then the DCI and the naval operations chief were hardly the most reliable people to carry out the president's wishes. Wise and Ross maintain that these appointments were designed to gather broad political consensus in the United States following JMARC and to forestall suggestions that a whitewash was to be carried out.<sup>125</sup> While the first part of this argument is convincing, the second does not hold true. Put simply, Dulles and Burke were too closely involved in the Bay of Pigs project to make distanced, self-critical observations and recommend far-reaching

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<sup>121</sup>Robert Amory, OH, pp.122-123, JFKL; Wyden, *Bay of Pigs*, p.322.

<sup>122</sup>Kornblu (ed.), *Bay of Pigs Declassified*, pp.23-102.

<sup>123</sup>*ibid*, pp.133-225.

<sup>124</sup>Taylor Board, *Operation Zapata*; Bissell, *Reflections of a Cold Warrior*, pp.152-190.

<sup>125</sup>Wise and Ross, *Invisible Government*, p.177

revisions of the practices and procedures of the intelligence community in light of the Cuban disaster. The most that Kennedy could have realistically expected was for an effective damage-limitation exercise to be conducted, and this in fact is what emerged from the Taylor Commission's deliberations.

The Taylor Commission reported to Kennedy in June 1961, and taken together its conclusions amounted to a reaffirmation of the need for the United States to adopt surreptitious methods to advance its foreign policy aims in the climate of the Cold War. Criticism was directed at the large and unwieldy dimensions of the Bay of Pigs operation. Ventures involving aircraft, tanks, and amphibious craft, Taylor affirmed, were beyond the scope of what the CIA could be reasonably expected to perform and should henceforth be conducted by the Pentagon. Covert action was, nevertheless, presented by the Commission as a vital instrument for containing and where possible rolling back communism.<sup>126</sup>

The Taylor recommendations were accepted by Kennedy. The president's anger at the CIA following the Bay of Pigs operation had, after all, been directed at the methods, or more accurately the failure of the methods, that the agency deployed rather than the objectives of the project.<sup>127</sup> The capacity to conduct covert action was, moreover, strongly in keeping with the stipulations of flexible response. Kennedy's options for dealing with Castro were, nevertheless, constrained in the immediate aftermath of JMARC, and during this period the American president turned to the approach advocated by his more liberal advisors. The basic thrust of United States policy towards Cuba for the next seven months was therefore aimed at: (1) placing greater emphasis on the Alliance for Progress in order to improve Washington's tarnished relations with its southern neighbours; (2) alerting the Latin American nations to the dangerous and expansive nature of the Cuban revolution; and (3) persuading the OAS to work with the United States to bring about the complete economic and diplomatic isolation of Havana.<sup>128</sup>

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<sup>126</sup>Taylor Board, *Operation Zapata*; Marchetti and Marks, *CIA and the Cult of Intelligence*, p.30.

<sup>127</sup>Marchetti and Marks, *CIA and the Cult of Intelligence*, p.130.

<sup>128</sup>National Security Action Memorandum 2422, 5 May 1961, folder 1, box 313, NSF/Meetings and Memos Series, JFKL.

The only direct initiative in Cuban-American relations to materialise during this period was made on a diplomatic level by Havana. On 17 August, Che Guevara met privately with key Kennedy aide Richard Goodwin, and two officials from Brazil and Argentina following a session of the Punta del Este conference in Montevideo. Guevara stressed that though Havana was now "out of the U.S. sphere of influence" and the Cuban revolution was "irreversible," the Castro regime would like to establish "at least an interim modus vivendi" with the United States. The essence of the formula suggested by Guevara envisaged the United States accepting the legitimacy of the Castro government and guaranteeing not to invade Cuba. In return, Havana would agree not to enter into a political alliance with the "East" (assumed to mean the Soviet Union) and to refrain from exporting the Cuban revolution beyond its own borders.<sup>129</sup>

The problem with this initiative was that its core point – American acceptance of the validity of Castro's rule – ran entirely contrary to Kennedy's Cuba policy, and would doubtless have caused consternation throughout the Western Hemisphere and in Congress should it have been accepted. Concurrent developments in Berlin, the fortunes of which Kennedy regarded as being closely interlocked with those of Cuba, may also have played a major role in influencing the president to reject the offer. Guevara's proposal was, for instance, made only one day after the construction of the Berlin Wall, and Kennedy received Goodwin's memorandum of the Montevideo meeting on 22 August, less than forty-eight hours after American troops drove victoriously into West Berlin to be met by Lyndon Johnson and Lucius Clay. The culmination of the Berlin crisis was widely perceived as a victory for the United States. To Kennedy, who held to a monolithic view of the communist world, prevailing over Khrushchev in Berlin meant greater pressure on Cuba, a welcome development which counterbalanced the loss of prestige that Washington suffered as a result of JMARC. It was not, therefore, in the American president's interests to allay Castro's fears by pledging not to invade Cuba – especially when increasing volumes of Soviet aid were arriving on the island. Kennedy instead ordered a redoubling of the covert action effort against Cuba, under the auspices of Operation MONGOOSE.

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<sup>29</sup>Goodwin, Memorandum for the President, "Conversation with Commandante Ernesto Guevara of Cuba," 22 August 1961, folder 12, box 115, POF, JFKL.

## OPERATION MONGOOSE: LANSDALE'S DESTABILISATION STRATEGY

Operation MONGOOSE was sanctioned on 30 November 1961 with the objective of marshalling all available assets "to help Cuba overthrow the Communist regime."<sup>130</sup> Reflecting the Kennedy brothers' fascination with counterinsurgency doctrine, the venture has been described aptly as a "prototype destabilisation or bleeding programme," aimed at: (1) disrupting the entire fabric of Cuban society and causing widespread discontent towards the governing regime in the process; (2) preventing the Cuban revolution from spreading beyond its own borders; and (3) sparking off a major counterrevolutionary guerrilla insurrection which would attract growing popular support and ultimately spearhead the ouster of Castro's government.<sup>131</sup>

Conceived and organised by the newly-created Special Group (Augmented) as a joint CIA-Pentagon enterprise, MONGOOSE was headed by Edward G. Lansdale. An Air Force general, Lansdale had been assigned to the CIA during the late 1940s and early 1950s. He gained a favourable reputation as a result of his effective application of counterinsurgency methods, developed by the British in Malaysia, to the Philippines and South Vietnam. The military component of the MONGOOSE programme was made up of Army officers with administrative and/or counterinsurgency expertise. The hope was that such arrangements would prevent a repetition of the organisational failures, lack of communication, and inadequate co-ordination that the Kennedys and Maxwell Taylor believed had been so instrumental in bringing about the Bay of Pigs fiasco.<sup>132</sup>

CIA input in MONGOOSE was enormous. Operating under the aegis of Task Force 101, the agency component was charged with infiltrating agents into Cuba and sabotaging economic and military targets on the island. These activities were placed under the overall control of William Harvey in Langley, who reported to Lansdale and the SGA. Theodore Shackley's Miami station (code-named JMWAVE) served as the centre of operations for MONGOOSE. From this base, over four hundred CIA officers controlled two thousand plus contract agents, drawing on an annual budget of over \$50 million – all of which made the Miami station the largest in the world. A further

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<sup>130</sup>Chang and Kornbluh (eds.), *CMC Documents*, pp.40-41.

<sup>131</sup>*Ibid*, pp.23-24; McClintock, *Instruments of Statecraft*, pp.204-208, quote on p.205.

<sup>132</sup>Lansdale, *In the Midst of Wars*, pp.371-373; Prados, *Presidents' Secret Wars*, pp.210-211.

dimension of Operation MONGOOSE was the role played by Robert Kennedy. Acting as a DCI, or perhaps more accurately DDP, the Attorney General put all who were involved in the operation under extreme pressure. Indeed, he was willing to bypass bureaucratic norms and appeal directly to CIA officers at operational level if he deemed it necessary to get results.<sup>133</sup>

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In spite of the Kennedys' assertion that MONGOOSE was their top priority and that no resources be spared in its pursuit, the programme failed to make any tangible advances. In retrospect, a major cause of the problem can be gauged to have centred on their choice of personnel, the most notable being the head of operations. Lansdale's experience and reputation had been gained through his assisting standing governments in Manila and Saigon to at least contain and at best destroy communist-inspired insurrection. He was, in essence, expert in the field of *defensive* covert action. The demands of combating Castro, however, called for expertise in the sphere of *offensive* covert action, since the aim was to remove an existing communist regime. Lansdale's methods consequently proved unsuitable for meeting the challenge, just as they had been between 1954 and 1956 when he was called on to conduct what turned out to be an ineffective clandestine action programme against the newly-established North Vietnamese state.<sup>134</sup>

The general drew up a precisely-timed, thirty-two task plan which envisaged Mongoose as beginning with an intelligence-gathering stage, progressing through four additional phases – action, buildup, readiness, and resistance – and culminating in a full-scale revolt and march on Havana in "the first two weeks of October 1962."<sup>135</sup> Overly rigid and wholly unrealistic, this strategy was flawed at its most basic level. It placed too much faith in the MONGOOSE planners' capacity to develop an effective underground in Cuba, and it underestimated Castro's ability to suppress dissent and

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<sup>133</sup> Prados, *Presidents Secret Wars*, pp.210-211; Powers, *Man Who Kept the Secrets*, pp.134-139; Church Committee, *Alleged Assassination Plots*, p.141; Bissell, *Reflections of a Cold Warrior*, pp.201-202.

<sup>134</sup> Powers, *Man Who Kept the Secrets*, pp.137-139; Jeffreys-Jones, *CIA and American Democracy*, p.95.

<sup>135</sup> Chang and Kornbluh (eds.), *CMC Documents*, pp.23-24, quote on p.24.

eliminate resistance – much as the CIA's plans of the summer and autumn of 1960 had done.<sup>136</sup>

Certainly, Lansdale's management of Operation MONGOOSE met with little respect from Harvey, and this contributed to a chain of discontent which plagued the project generally. The Kennedys were impetuous in their demands for action and apparently oblivious to the fact that the United States simply did not have enough assets in Cuba to achieve success with MONGOOSE. The military planners who were attached to the enterprise to oversee Task Force W were pedantic to the point of absurdity in their requests for detailed reports from Harvey, who in turn was resentful of the Kennedys and extremely suspicious of Lansdale. The maintenance of secrecy was, moreover, made difficult by the enormous scale of operation.<sup>137</sup>

While MONGOOSE failed to make any positive impact, it did have the negative effects of justifying Castro's moves to tighten his grip on power and helping to provide the impetus for Khrushchev to pour Soviet military aid into Cuba. It was against this background that Bissell, in one of his last acts as DDP, activated ZR/RIFLE Project. A standby assassination capability established within the CIA after JMARC, ZR/RIFLE had been placed under the direction of Harvey at its inception and was therefore easily incorporated into Operation MONGOOSE. The head of Task Force W duly took over the CIA's contacts with the Mafia from Sheffield Edwards and set a new murder campaign in motion.<sup>138</sup>

The agency's renewed partnership with Giancana and his associates proved to be as fruitless in the latest drive to remove Castro as had been the case in 1960. The crucial question for historians, however, centres on whether or not Kennedy knew of these CIA plans. In this respect, there is strong though not conclusive evidence to support the case that he did.<sup>139</sup> What is clear is that a number of key figures within the

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<sup>136</sup>Bissell, *Reflections of a Cold Warrior*, p.200.

<sup>137</sup>Powers, *Man Who Kept the Secrets*, p.135, p.138; Prados, *Presidents' Secret Wars*, pp.211-212..

<sup>138</sup>Church Committee, *Alleged Assassination Plots*, pp.181-184, pp.314-315.

<sup>139</sup>Lyndon Johnson, for instance, is quoted as having said that Kennedy operated "a damned Murder c. in the Caribbean." Journalist Tad Szulc reported Kennedy as having broached the subject of assassination, stressing that while he regarded political murder as morally wrong, he was under pressure from elements within his administration to authorise such action, see Ranelagh, *The Agency*, p.390.

Kennedy administration, notably McNamara and Lansdale: (1) knew of the plot to kill Castro; (2) were in favour of such a course; and (3) committed the idea to paper – to the dismay and anger of Harvey.<sup>140</sup>

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Whatever Kennedy's involvement in the assassination plots against Castro actually was, it is now clear that by August 1962 the SGA had concluded that nothing short of direct American military intervention would bring about a change of regime in Cuba. As was the case in the run-up to JMARC, an invasion was regarded by American planners as being made easier if Castro was dead before the landings took place. However, a full-scale invasion of Cuba was now under serious consideration, and subject to constant review from August 1962 right through to the culmination of Cuban missile crisis.<sup>141</sup>

This modification of American policy brought with it a change in how covert action was to be deployed. One of the principal guidelines of Operation MONGOOSE stipulated that while the United States would make full use of all available assets in executing the project, it was essentially designed to create the necessary pretext for an invasion. Ultimate success in removing Castro would require "decisive U.S. military action."<sup>142</sup> The problem was that the approach adopted by Lansdale was proving excruciatingly slow and by August 1962 it was still lodged firmly in stage one.

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Both Helms and Lansdale are on record as saying that they were told flatly by the Kennedys to "get rid of Castro," the assumption being that any means were acceptable in the pursuit of this goal, see Church Committee, *Alleged Assassination Plots*, p.138. To add to this, recently declassified FBI wiretaps confirm Judith Campbell Exner's claim that Joseph and John Kennedy maintained close connections with the Mafia, especially Giancana, prior to the November 1960 election. This contact continued after John Kennedy became president. Campbell, who was at the time his mistress, acted as a courier, carrying sealed envelopes between the White House and Giancana. The likelihood was thus that Kennedy was aware of, if not orchestrating, the assassination campaign against Castro, see Anthony Summers, *Official and Confidential: The Secret Life of J. Edgar Hoover* (London, 1993), pp.268-270; Reeves, *Question of Character*, pp.261-263

<sup>140</sup> Reeves, *President Kennedy*, pp.335-337.

<sup>141</sup> *ibid*, pp.366-367; Chang and Kornbluh (eds.), *CMC Documents*, pp.5-6, pp.61-62.

<sup>142</sup> *ibid*, p.38.

Recognising that the graduated concept enshrined in Operation MONGOOSE was fundamentally flawed, President Kennedy ordered the programme's planners and coordinators to disregard Lansdale's timed phases and speed up the whole enterprise. From this juncture MONGOOSE was to serve as a complement to wider military action, rather than the focus of Washington's anti-Castro effort.<sup>143</sup>

The problem with the president's redesign of Operation MONGOOSE as a softening-up exercise in preparation for the possibility of more direct overt action was that he continued to overlook the fact that Castro's control over Cuba placed enormous constraints on any type of covert activity – especially when he was expecting it. A frustrated Robert Kennedy was thus still demanding a more zealous execution of MONGOOSE some ten days before U-2 overflights verified the existence of Soviet missile sites in Cuba on 14 October 1962.<sup>144</sup>

The Cuban missile crisis itself brought further revision of and debate on how covert action was to serve policy objectives. In the period between the onset of the crisis on 16 October, and 25 October, when American SIGINT confirmed that the Russian ships en route to Cuba had turned back, Robert Kennedy sought to intensify MONGOOSE as part of a two-track strategy. An upgrading of the covert action effort in Cuba would, he believed, enhance the prospects of overthrowing the Castro regime and so serve as a complement to the blockade. With this aim in mind, the Attorney General again berated all of the agencies involved in MONGOOSE for failing to carry it out with sufficient aggression, and again the initiatives enacted by the project's planners in response failed to deliver any success:<sup>145</sup> a thankful outcome given that the risk of a single incident triggering war by miscalculation was never higher. As a result, Lansdale found himself and his project increasingly marginalised as the crisis wore on.

The confirmation, on 25 October, that neither the Soviet Navy nor its merchant marine had breached the five hundred mile exclusion zone reduced superpower tensions and the danger of war but it did not end the crisis. The missile sites still threatened the security of the United States and contingency planning continued for both an air attack

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<sup>143</sup>NSAM 181, *ibid*, pp.61-62.

<sup>144</sup>Meeting of the SG (A), 4 Oct. 1962, in McAuliffe (ed.), *CIA -CMC*, pp.111-113; May and Zelikow (eds.), *Kennedy Tapes*, pp.442-445.

<sup>145</sup>Meeting of the SG (A), 4 Oct. 1962, in McAuliffe (ed.), *CIA -CMC*, pp.111-113.

on the bases and a full-scale invasion. At this point, a debate ensued between McCone and Lansdale as to what type of covert action would best serve American interests. Stating that the primary obligation of the CIA was to support the needs of the military rather than those of the MONGOOSE planners, the DCI proposed to infiltrate ten teams of agents into Cuba to prepare the way for a possible invasion. Lansdale countered that such moves diverted resources away from the primary covert action aim, which as far as he was concerned was still to destabilise Cuba to the point of indigenous revolt. McCone prevailed essentially because the MONGOOSE bureaucracy was regarded as too cumbersome to support military action, despite the fact that Kennedy suggested making the Lansdale organization a Subcommittee of Ex-Comm.<sup>146</sup>

The debate proved academic, however, since the Cuban missile crisis ended two days later on 28 October. The NSC subsequently closed down MONGOOSE and abolished the SGA on 30 October, but this did not draw Kennedy's covert action programme against Cuba to a close. As part of the deal struck by the Soviet and American leaders to conclude the crisis, Kennedy gave his "assurances against an invasion [of Cuba]" on the condition that the removal of the Russian missiles took place under UN observation and supervision. Castro refused to permit any on-site inspections, which in effect freed Kennedy from his pledge not to invade Cuba.<sup>147</sup>

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## CONCLUSION

The most conspicuous flaw in the covert operations launched against the Castro regime between 1960 and 1962 was the assumption that the PBSUCCESS model, and afterwards the counterinsurgency techniques pioneered by Lansdale in the Philippines, could be deployed in revolutionary Cuba. Operation HIKE, of course, proved that what had worked in Guatemala would not necessarily work elsewhere, but this appears to have been overlooked, possibly because the close proximity of Cuba to the United

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<sup>146</sup> McCone "Memo. of MONGOOSE Meeting in JCS Operations Room, 26 Oct. 1962; Carter to McCone "MONGOOSE Operations and General Lansdale's Problems," 25 Oct. 1962, *ibid*, pp.319-321, pp.311-312.

<sup>147</sup> Andrew, *For the President's Eyes Only*, p.303.

States made the island a far more viable target for covert action than a sprawling archipelago ten thousand miles away.

Conditions in Cuba were, however, markedly different from those which had applied in Guatemala or the Philippines. Having learned the lessons of PBSUCCESS, Castro moved swiftly to suppress opposition within his country and had a firm grip on power even before the botched Bay of Pigs invasion. He subsequently strengthened his bonds with Moscow, fully embracing Marxism and assuming such comprehensive control that many in Washington regarded Cuba as "the sixteenth Soviet republic."<sup>148</sup> The task that confronted the Kennedy administration and the CIA was not, then, one of preventing a communist regime taking control. Rather it was one of removing a leftist dictatorship that moved decisively to adopt communism and align itself with the Soviet Union within three years of coming to power.

The true precedent for Cuba, as Bissell later pointed out, was Albania.<sup>149</sup> Offensive covert action had, however, proved futile in the case of BGFIEND, as it had against the Sino-Soviet bloc generally, and it would not have sufficed in Cuba. The overthrow of Castro would have required overt military action. The fact that the CIA included a hidden agenda in the JMARC operation amounted to an implicit recognition of such realities, and indeed the MONGOOSE planners were explicit in pointing to the need for direct American military intervention to sweep Castro from power.

Operation MONGOOSE has since been referred to as "the Kennedy Vendetta," but its most ambitious of covert action programmes was driven by more than just an acute desire for revenge.<sup>150</sup> Cuba was a model for leftists and communists throughout Latin America to emulate. These considerations were key in informing Eisenhower's decision to move against Trujillo. Following the Bay of Pigs operation, however, Cuba became an increasingly well-equipped base for the expansion of communism in the Western Hemisphere.<sup>151</sup> Kennedy responded, in turn, with a redoubling of efforts, not only to quarantine Cuba and overthrow the Maximum Leader, but also to

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<sup>148</sup>White, *Cuban Missile Crisis*, p.31.

<sup>149</sup>Thomas, *The Very Best Men*, p.242.

<sup>150</sup>Reeves, *A Question of Character*, pp.277-278.

<sup>151</sup>White, *Cuban Missile Crisis*, pp.29-30.

immunize Latin America against communism and take preventive action wherever it was deemed necessary.

During 1962 and 1963, for instance, the CIA played a major role in ensuring that Ecuador did not succumb to the appeal of Castroism. The agency first helped to overthrow Jose Velasco Ibarra's regime, replacing it with a government led by Carlos Julio Arosemera, whose ideas, it was believed, were more compatible with United States policy. When it was discovered that this was not the case, Arosemera was also ousted from power.<sup>152</sup> Much of the detail of these coups remains classified. What is certain is that Robert Kennedy regarded labour unions as useful instruments for the furtherance of covert action in Ecuador and British Guiana. The specific methods deployed by the agency in either case are also unclear but more generally the CIA drew on the skills of veteran OSS operative Serafino Romualdi to organise clandestine action programmes in conjunction with local labour officials and liberal politicians in Latin America.<sup>153</sup> The British Guiana files at the Kennedy Library reveal even less than those on Ecuador, but according to one National Security Action Memorandum (NSAM) from May 1961, covert action in British Guiana was under the control of the Cuba Task Force, which even then was working "in cooperation with the British to forestall a Communist take-over in that country."<sup>154</sup>

On what little evidence is available, therefore, the CIA appears to have applied the European model of the late 1940s to Latin America during the early 1960s. The Alliance for Progress was envisaged as serving as the economic instrument of containment much as the ERP had done, and the CIA worked in conjunction with the host governments, the political and economic elites, and the church to deploy defensive/preventive covert operations when the need arose. Romualdi appears to have functioned in Latin America much as Irving Brown had done in Europe, playing a coordinating role between the agency and the unions.

The most clear-cut example of Latin American labour unions being deployed by the CIA in a defensive capacity during this period was in Venezuela. Here, a spiralling

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<sup>2</sup>Jeffreys-Jones, *CIA and American Democracy*, p.132; Unsigned memo., Subject, "Arosemera sit," 23-25 July 1962, folder 8, box 68, NSF/Countries, JFKL.

<sup>3</sup>Radosh, *American Labor and US Foreign Policy*, pp.399-405; Agee, *CIA Diary*, pp.244-245.

<sup>4</sup>NSAM 2413-c, 4 May 1961, folder 5, box 329, NSF/Meetings and Memos, JFKL.

campaign of Cuban-backed insurrection, which had began in 1961 and gathered momentum over the next two years, was threatening to bring down Rómulo Betancourt's government in advance of presidential elections scheduled for December 1963.<sup>155</sup> To Castro, Venezuela was a key piece in the larger Cold War chess game. The Betancourt regime was a model which the United States hoped the rest of Latin America would emulate. For the Maximum Leader, the advantages of igniting insurrection against the Caracas government were thus clear. Such a move would weaken United States containment policy in the Western Hemisphere. A successful insurgency would, furthermore, be of great symbolic significance. It would demonstrate that the Venezuelan people had chosen communism in preference, not to a right-wing dictatorship, but to an American-sponsored democratic government, and that even within its own sphere of influence, Washington was unable to resist the tide of Marxism.<sup>156</sup>

This was, of course, a high risk strategy. Kennedy had stated openly, at a rally held at the Orange Bowl, Miami in December 1962 in honour of 1,179 CEF prisoners who had been returned in exchange for \$53 million worth of medicines, that Havana's export of revolution precluded the United States from pledging not to invade Cuba.<sup>157</sup> Castro's resolve was, however, bolstered as a result of a five week, high profile visit he made to the Soviet Union in the spring of 1963. The tour served to heal the rift in Russo-Cuban relations that followed the missile crisis. Whether the Kremlin gave the Maximum Leader any firm guarantees that it would defend Cuba should the United States attempt to invade the island is a matter of conjecture. Certainly, on the evidence provided over thirty years later by the then KGB chairman, Vladimir Semichastny, and the Soviet ambassador to Havana during this period, Alexandr Alexiev, the Cuban leader *thought* he could depend on Moscow.<sup>158</sup>

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<sup>155</sup> JCS Report, "Terrorist Activities in Venezuela," 18 February 1963, folder 3b, box 192, SF/Countries, JFKL.

<sup>156</sup> Jon Lee Anderson, *Che Guevara: A Revolutionary Life* (London, 1997), pp.531-594; Schlesinger, *Robert Kennedy*, p. 464, 538, 543, pp.554-555, .

<sup>157</sup> Schlesinger, *Robert Kennedy*, pp.538-539; Prados, *Presidents' Secret Wars*, p.215.

<sup>158</sup> Vladimir Semichastny, Alexandr Alexiev, and Oleg Daroussenko (head of the Cuban Section, Central Committee of the CPSU, 1968-1989), interviewed in the Channel 4 T.V. documentary *Messengers from Moscow*, broadcast 12 March 1995.

For the United States, the trip was a major setback. The unprecedented welcomes that Castro received at every stage of the visit signalled that Cuba was once again an extension of Soviet power and "a beacon for the future advance of socialism" in the Western Hemisphere.<sup>159</sup> It was this inter-communist rapprochement, coupled with the worsening situation in Venezuela that led the Kennedy administration rethink its covert action strategy against the Castro regime.

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The early months of 1963 found the CIA implementing a series of defensive clandestine action measures to counter the Venezuelan guerrillas. Utilising the methods that were proving effective in Ecuador and in Latin America generally, the agency drew on labour union support as a key plank in its strategy. The United States assisted the Confederation of Venezuelan Workers (CTV), for example, in its moves to establish "workers' brigades," the purpose of which was to prevent communist guerrillas from sabotaging the country's assets and resources, most notably its oil reserves.<sup>160</sup>

Despite these efforts, the insurgency continued unabated. It was partly as a consequence of these developments that the Special Group authorised the CIA to renew its covert action offensive against the Castro regime, on 19 June 1963. The latest programme was placed under the control of Desmond Fitzgerald, the former head of the CIA's Far East Division who had replaced Harvey as chief of the successor group to Task Force W, the Special Affairs Staff, in January 1963. The project hinged on the use of similar destabilisation techniques to those which had featured in Operation MONGOOSE, and once again these tactics proved futile.<sup>161</sup> Where the CIA did see itself as having a greater chance of success than had previously been the case was in its use of assassination.

The principal difficulty that the agency encountered in its attempts to murder Castro between 1960 and late 1962, when its partnership with the Mafia was severed in

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<sup>59</sup> *ibid.*

<sup>60</sup> "Intensified Terrorist Activity in Venezuela," 10-16 February 1963 (no agency and unsigned), folder , box 192, NSF/Countries, JFKL.

<sup>61</sup> Church Committee, *Alleged Assassination Plots*, pp.171-172.

conjunction with the termination of Operation MONGOOSE, was the lack of an adequate "delivery system": specifically, an assassin who was close to the Cuban leader and also willing to kill him. A possible solution to this problem emerged in September 1963 when Rolando Cubela Secades, a disillusioned Castro confidante, offered to assassinate his country's leader.<sup>162</sup> Code-named AMLASH, Cubela was first recruited by the CIA in 1961 and was a tried and tested assassin, having killed Batista's military intelligence chief in 1959.<sup>163</sup> On the negative side, he was suspected by counterintelligence experts on the Special Affairs Staff of being a "dangle": a Cuban double agent charged with penetrating the CIA's assassination plots.<sup>164</sup> These suspicions gained credence in the wake of Kennedy's assassination.

Regardless of the doubts that the CIA entertained regarding about Cubela he was an agent-in-place and on 29 October 1963, he met with Fitzgerald in an encounter that found the two men engaged in a "policy discussion," the specifics of which remain cloudy. Fitzgerald is known, however, to have hoped that Cubela could persuade other Cuban Army officers to instigate a coup and AMLASH is on record as stating that a successful coup would have to be preceded by the assassination of Castro. Cubela then asked what "technical support" the CIA could provide in effecting such an outcome. At no point did Fitzgerald give a firm undertaking that the agency was prepared to press ahead with the plan. He nevertheless did not rule it out.<sup>165</sup>

What seems to have proved decisive in influencing Fitzgerald and Helms to go ahead with the AMLASH plot was the discovery of a three-ton arms cache and blueprints for a coup against Betancourt on a Venezuelan beach in November 1963.<sup>166</sup> Some

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<sup>62</sup>Thomas, *The Very Best Men*, pp.298-299; Church Committee, *Alleged Assassination Plots*, p.87.

<sup>63</sup>Anderson, *Che Guevara*, p.346, p.355; Church Committee, *Alleged Assassination Plots*, pp.86-88.

<sup>64</sup>Breckenbridge, *CIA and the Cold War*, pp.114-115; Thomas, *The Very Best Men*, pp.299-300, p.305-306

<sup>65</sup>Thomas, *The Very Best Men*, pp.299-303. Thomas had unprecedented access to the CIA archives.

This information comes from an unpublished CIA Inspector General's Report on the agency's assassination attempts. It is based on the testimony of Nestor Sanchez, who was Cubela's case officer.

<sup>66</sup>Interview with Helms in Beschloss, *Kennedy v. Khrushchev*, p.666-667. For nearly a year, the CIA had been looking for conclusive proof of Cuban involvement in the insurgency against Betancourt. During the previous February, for instance, a Venezuelan ship bound for its home shores with a cargo of arms was intercepted by American jets and forced to sail into Brazilian waters, where the weapons

question over the authenticity of this find must be raised, given that the agency had itself planted an arms cache on a beach in Guatemala in 1954 in the hope of manufacturing a pretext for the overthrow of Arbenz. Kennedy, however, regarded the find as providing proof of Cuban involvement in the insurgency against Betancourt and the American president asked Helms to prepare "more complete information" which he, Kennedy, would examine on his return from Dallas and determine what steps to take in response.<sup>167</sup> The evidence suggests, however, that someone in the DDP hierarchy pre-empted the president's decision, for on the same day Fitzgerald gave the go-ahead for the AMLASH operation to proceed. Plans were approved to supply Cubela with a high powered rifle with telescopic sites to be used to kill Castro at long range, and a poison pen which would enable AMLASH to assassinate the Maximum Leader if the opportunity arose.<sup>168</sup>

Exactly who authorised this enterprise is unclear. The strictures of plausible deniability dictate that, should the president or the Attorney General have approved the venture, there would be no record of the decision. Certainly, McCone was ignorant, not only of AMLASH but of the CIA's flirtation with assassination in general. The idea of "executive action" had only once been broached in his presence, and even then it was couched in a theoretical context. The DCI was nonetheless perplexed. A devout Catholic, he raised concerns that he might be excommunicated should the CIA adopt such measures and be discovered to have done so.<sup>169</sup> This leaves only two realistic alternatives. Either Helms sanctioned AMLASH to proceed or Fitzgerald acted on his own volition.

Whatever the truth might be, the most pertinent point is that the incessant pressure that Robert Kennedy was putting on the DDP and the head of the Special Affairs Staff to take imaginative and bold action against Castro was authorisation in itself. The AMLASH plot was, however, brought to an abrupt halt as the direct outcome of

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ere impounded. There was strong circumstantial evidence but no solid proof that the arms were sent from Cuba, see Roswell L. Gilpatrick, Memo for the President, 27 February 1963, "The Anzoategui Affair," folder 5, box 192, NSF/Countries, JFKL.

<sup>7</sup>Beschloss, *Kennedy v. Khrushchev*, p.667; Cullather, *PBSUCCESS*, p.40.

<sup>8</sup>Thomas, *The Very Best Men*, pp.302-303.

<sup>9</sup>Church Committee, *Alleged Assassination Plots*, p.164.

Kennedy's own murder.<sup>170</sup> A campaign that two administrations had pursued vigorously since early 1960 and which had seriously undermined the prestige of the CIA thus ended with Washington having failed to unseat Castro and with Cuban-American relations at a nadir that still persists today.

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<sup>170</sup>Thomas, *The Very Best Men*, p.306; Church Committee, *Alleged Assassination Plots*, pp.89-90.

## CONCLUSION

### MARCHING AS TO WAR

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There was a certain irony in the early evolution of the CIA. Though its clandestine action mission was designed primarily to serve as a substitute for overt military action and so preserve the peace, it was the onset of war that had the most far-reaching effects on the agency's capacity to conduct covert operations. The outbreak of hostilities in Korea, for example, was *the* primary catalyst for the unprecedented growth of the OPC/DDP's budget and manpower in the early 1950s.<sup>1</sup> This expansion of resources, along with Bedell Smith's reorganisation of the CIA and Allen Dulles's decision to specialise in specific types of clandestine action, provided the foundation for the so-called golden era of covert operations which spanned Eisenhower's presidential tenure. The Vietnam War had more negative and indeed profound consequences, largely as a result of domestic disaffection towards the conflict rather than the CIA's own activities. Most significantly, Vietnam broke up the bipartisan consensus in the sphere of foreign and defence policy.<sup>2</sup> This had been in place since Truman's time and had enabled the OPC and later the DDP to conduct their covert activities unimpaired under the less-than-vigilant gaze of the various congressional oversight subcommittees to which the CIA was supposed to answer.

Entrapment in the quagmire of Southeast Asia caused the American public to seriously question, for the first time, the foreign policy objectives of its government and the actions of the institutions that served it. The Vietnam War, then, ended an era of optimism and confidence which began in 1945 and so defines the limits of the early Cold War era.<sup>3</sup> Washington's entanglement in Vietnam warrants brief investigation, however, not least of all because it demonstrates some of the recurring trends and pitfalls that had confronted the CIA from the time it began conducting covert action.

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American involvement in Indochina began in 1950 when the Truman administration adopted NSC 68 and brought Southeast Asia under the containment umbrella. The

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<sup>1</sup>*Church Report*, Bk. 1, p.107.

<sup>2</sup>Duiker, *U.S. Containment Policy in Indochina*, pp.362-383.

<sup>3</sup>William L. O'Neil, *American High: The Years of Confidence, 1945-1960* (New York, 1986).

commitment increased incrementally over the following fifteen years. Eisenhower provided economic aid and air support to the French in their struggle against the Vietminh, but after the fall of Dien Bien Phu and the Geneva Accords of 1954, Washington refocused its efforts. American policy was henceforth geared towards promoting a noncommunist government with strong nationalist, anti-imperialist credentials in Saigon.<sup>4</sup> To complement these moves an effective programme of defensive covert action which centred on the utilisation of nation-building and counterinsurgency techniques was introduced under the direction of Ed Lansdale.<sup>5</sup>

The drawback with this approach was in the Eisenhower administration's decision to follow the recommendations of the CIA and Lansdale and promote Ngo Dinh Diem as South Vietnamese premier. The task of finding leaders who could command popular support and at the same time fall into line with American policy objectives posed repeated difficulties for the agency. Rather than choosing the best man for the job, the CIA often found itself limited to picking the only available candidate or the best of a bad bunch. The selections of Zahedi, Castillo Armas, and Mobutu spring immediately to mind in citing this problem and the same considerations applied to the choice of Diem.

Following the partition of Vietnam in 1954, the country's Emperor, Bao Dai, acceded to American pressure and appointed Diem as prime minister of South Vietnam. From this point the United States began to bolster the new regime extensively, but for Washington, maintaining Diem was something of a balancing act.<sup>6</sup> On the one hand, he was a fervent nationalist who could be relied upon to counter the spread of communism in South Vietnam with vigour. On the other hand, he was a corrupt and repressive ruler, whose consistent refusal to comply with American wishes and implement meaningful democratic reforms was, by the early 1960s, leading his country's political moderates and Buddhists to make common cause with the Vietcong in what was fast becoming a civil war. By 1963, leading State Department officials, notably Averell Harriman and Roger Hilsman, had concluded that the war could not be won with Diem and his brother Ngo Dinh Nhu at the helm.<sup>7</sup> These arguments found favour with Kennedy, who had identified Vietnam as the key place to make a stand

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<sup>4</sup>Duiker, *U.S. Containment Policy in Indochina*, pp.88-247.

<sup>5</sup>Colby and Forbath, *Honourable Men*, pp.141-146.

<sup>6</sup>*ibid.*

<sup>7</sup>Ranelagh, *The Agency*, pp.427-430; McClintock, *Instruments of Statecraft*, pp.126-129.

against communism.<sup>8</sup> Thus, on 24 August 1963 the State Department dispatched a cable, with the president's consent, to the American Ambassador in Saigon, Henry Cabot Lodge, advising him to assist the South Vietnamese military in a coup which was carried out on 1 November 1963 and which resulted in the ouster and murder of Diem and Nhu.<sup>9</sup>

Similarly to the Bay of Pigs invasion and Operation MONGOOSE, both of which served only to strengthen Soviet determination to support Castro, the overthrow of Diem is instructive in that it demonstrates how covert action could backfire and result in unwelcome consequences for American policy that were not envisaged at the time of authorisation. Indeed, the CIA, in concurrence with the Pentagon, had opposed the coup, forecasting that such a move would make the already unstable situation in South Vietnam a good deal worse. Not for the first time in the agency's history, Washington ignored its predictions. CIA operatives were, nevertheless, ordered to assist in a covert operation that McCone had told the Kennedy brothers would be detrimental to American interests.<sup>10</sup>

Just as the DCI had warned, Diem's removal led to a rapid turnover of successor governments in Saigon and power in Vietnam was increasingly dispersed. This placed greater responsibility on local leaders, who, despite American counterinsurgency measures such as the strategic hamlet programme, were susceptible to the threats and manoeuvres of the Vietcong in a way that central government was not. South Vietnam was, as a result, further destabilised, which led to the dispatch of more American troops and the commitment that Washington had long sought to limit was thereby heightened.<sup>11</sup>

As with the Korean War, the escalation of hostilities in Vietnam into a full-scale war brought about a change in the CIA's covert action mission. For Washington, successful prosecution of the Vietnam War hinged primarily on a three-pronged strategy aimed at: (1) sealing off the South Vietnamese borders; (2) isolating the war

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<sup>8</sup>Schlesinger, *A Thousand Days*, pp.337-339.

<sup>9</sup>Department of State to Lodge, 24 August 1963, *FRUS 1961-63*, Vol.3: 628-629; Church Committee, *Alleged Assassination Plots*, pp.217-223.

<sup>10</sup>Colby and Forbath, *Honourable Men*, pp.215-216; Church Committee, *Alleged Assassination Plots*, pp.217-223.

<sup>11</sup>Church Committee, *Alleged Assassination Plots*, p.217.

zone; and (3) implementing a pacification programme directed at diminishing the strength of the insurgency which, it was hoped, would ultimately enable Saigon to prevail. The implication of such an approach was that American planners viewed Indochina as a single strategic entity, for the Ho Chi Minh Trail, the supply route through which Hanoi infiltrated manpower and resources into the South, cut through Laos and Cambodia (see appendix 16).<sup>12</sup> The option of taking overt action in either of these countries was precluded, however, since both were pledged to remain neutral under the terms of the Geneva Accords of 1954 and the 1962 Geneva Conference on Laos. Consequently, CIA covert action during the Vietnam War had two overarching but closely interconnected purposes: supporting the military effort in Vietnam itself and enabling the United States to circumvent the constraints on its freedom to act in Indochina as a whole.

To this end the agency worked closely with the Green Berets, recruiting, training, financing, and directing the Laotian hill tribes (the Hmong), and the Montagnard tribes of the central highlands of Vietnam in what were, at least until 1970, the most effective of all the CIA's defensive wartime paramilitary operations.<sup>13</sup> Covert action failed in Indochina, however, when it was deployed for offensive purposes, for much the same reasons as had applied against other 'denied areas.' To begin with, Ho Chi Minh maintained a similarly tight centralised control of his country to that which had been in place in Albania, Poland, the Ukraine, and the Baltic States in the late 1940s and early 1950s. Many of the offensive operations mounted against North Vietnam were, moreover, infiltrated and consequently compromised by enemy agents, just as had been the case when Operation BGFRIEND was launched against Hoxha. There was also the point that in Vietnam both sets of indigenous combatants shared the same racial and ethnic mix, and spoke the same language. This factor enabled Ho Chi Minh to penetrate the South Vietnamese action teams that were being infiltrated into the North in the same way that Castro penetrated the émigré groups in Miami, thereby instigating measures that stifled the DDP's plans.<sup>14</sup>

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<sup>12</sup>NSAM-52, folder 10, box 330, NSF/Meetings and Memos, JFKL.

<sup>13</sup>Timothy N. Castle, *At War in the Shadow of Vietnam: U.S. Military Aid to the Royal Lao Government, 1955-1975* (New York, 1998); Prados, *Presidents' Secret Wars*, pp.239-260, pp.261-296; Colby and Forbath, *Honourable Men*, pp.198-199, pp.245-288; Jane Hamilton-Merritt, *Tragic Mountains: The Hmong, the Americans and the Secret Wars in Laos, 1942-1992* (Bloomington and Indianapolis, 1993), pp.130-262; Ranelagh, *The Agency*, p.425.

<sup>14</sup>Prados, *Presidents' Secret Wars*, p.220, pp.259-260.

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This picture of defensive covert action complementing and advancing American policy objectives to a greater degree than its offensive counterpart had been the case throughout the Cold War. It is, however, a picture that is in need of some clarification. At the most basic level, defensive operations presented fewer obstacles for the CIA than offensive projects, primarily because the governments of the host countries in Western Europe and Japan, where defensive programmes proved to be most soundly-based and enduring, were as determined to contain communism as was the United States. 'Friendly' environments such as these lent themselves to the successful functioning of CIA covert action.

The modern pluralist societies of Western Europe, for instance, provided fertile ground for the CIA's establishment of front organisations, a propensity which increased enormously with the advent of the OPC and its access to counterpart funds. Such resources were instrumental in enabling the United States to provide the material support and manpower for the deployment of the 'third option' on a global scale behind the cover of the CIA's 'private' enterprises, notably its airlines and banks, during subsequent years.

Added to this was the fact that Washington's determination to hold communism at bay was always clear and unequivocal, and successive administrations afforded first the SPG then the OPC/DDP considerable latitude in the drive to ensure that this policy was effective. This held true over the long haul that the Cold War became, and also during short-term crises such as the Italian election campaign of 1948, which was as conspicuous an example as any of how covert action was deployed as a political instrument for the advancement of early containment policy.

Looked at in retrospect, the SPG's Italian programme was dwarfed by the unprecedented use of overt political warfare to which the United States resorted to ensure De Gasperi's victory. The shipment of scarce foodstuffs to the Italian people and weapons to the country's armed forces; the posting of American warships to Italian ports; the very public roles that Ambassador Dunn and the American labour unions played in support of the western-aligned parties; and the letter-writing campaign – all

of these factors were crucial to the defeat of the Popular Front.<sup>15</sup> Angleton's real importance lay in the fact that he had maintained a network of contacts from the war, which provided the means through which secret American funds were distributed to the parties of the centre and centre-right. This initiative was not decisive in itself. Rather, it was one of a number of western measures which, along with the example of the Czech coup, tipped the balance firmly in favour of the Christian Democrats.

The campaign in Italy was, nevertheless, an early defining moment for the CIA's covert action mission. De Gasperi's victory, along with the defeat of the communist-led general strike in France the year before, set a pattern whereby the agency supported noncommunist political parties and organisations in Western Europe and Japan for a further forty years. A key plank in Washington's containment policy, clandestine funding also had a downside. The injection of CIA aid became a stabilising element in the host countries and once the commitment had been made it had to be sustained in order to ensure that the political equilibrium was maintained.<sup>16</sup> Agency termination of political subsidies would, furthermore, have carried the risk of former beneficiaries exposing the connection, which would have reflected badly on the CIA and damaged the reputation of the United States. However, defensive covert action, on balance, proved positive to the furtherance of American interests, if the success was a qualified one.

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The pursuit of coercive containment and the conduct of offensive operations in the strictly-regimented totalitarian states of Eastern Europe and the Far East presented the CIA with a wholly more complex task than that which applied outside of the communist world. The agency proved to be more than a match for this task with its propaganda effort in the denied areas. From the time of their inception through to the end of the Cold War, Radio Free Europe and Radio Liberty made crucial contributions to the drive to keep the spirit of freedom alive in Eastern Europe, as became clear when Soviet communism finally collapsed. The evidence of the Hungarian uprising, moreover, suggests that RFE was, if anything, too successful in fuelling the thirst for

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<sup>15</sup>Miller, "Taking Off the Gloves," 35-55.

<sup>16</sup>Roger Hilsman OH, JFKL.

freedom in the captive nations during the station's early years.<sup>17</sup> Success evaded the OPC/DDP, however, in its deployment of paramilitary and political action offensives behind the Iron and Bamboo Curtains from 1948 through to 1956, and such failure begs an explanation.

The covert action offensives mounted by the CIA during Truman's tenure were, it should be stressed, designed to serve different policy requirements from those authorised by the Eisenhower administration against the communist bloc. These distinctions will be dealt with at greater length below, but in general outline the Soviet Union was under the dictatorship of Stalin for the entirety of Truman's presidency. Communism was, furthermore, on the march during this period, with the establishment of the PRC and the onset of war in Korea. In contrast, Eisenhower was, for all but the first two months of his tenure, faced by a less hard-line Soviet leadership, and from July 1953 until the end of his presidency operated under peacetime conditions, which were underscored by the fact that both superpowers were in possession of thermonuclear weaponry. For the CIA, however, the same core problem reared its head during both the Truman and Eisenhower periods: a lack of clarity at the highest levels of government as to what political action and paramilitary operations against the communist bloc were designed to achieve placed constraints on, and blurred the objectives of, the agency's clandestine action mission.<sup>18</sup>

If, for instance, the campaigns mounted by the OPC/DDP in Albania, Poland, the Baltic States, and the Ukraine between 1949 and 1953 had fulfilled their optimum potential and led to the elimination of the ruling regimes in Tirana and Warsaw, and brought about the beginnings of the fragmentation of the Soviet Union itself, then Truman would have faced a dilemma. CIA action would have caused a fundamental departure in American policy from containment to rollback, albeit surreptitiously.

Such an outcome might have been to Washington's advantage in the case of Albania. Hoxha's country was not, after all, part of Moscow's defence buffer zone, and its detachment from Russian control, while a symbolic defeat for the Kremlin, would not have posed a direct threat to the security of the Soviet Union and would not, at least in American calculations, have provoked Stalin into risking a direct confrontation with the

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<sup>17</sup>Meyer, *Facing Reality*; Mickelson, *America's Other Voice*; see also State Department correspondence for the crucial period of the Hungarian uprising, *FRUS 1955-57*, Vol.25: 366-432.

<sup>18</sup>Godson, *Dirty Tricks or Trump Cards*, p.46.

United States.<sup>19</sup> In the cases of Poland and the Soviet republics cited above, however, CIA-initiated rollback could hardly have been welcome, especially since the United States was concurrently involved in a war in Korea, which at one point, after UN forces had crossed the 38th Parallel and advanced towards the Yalu river, had also confronted Truman with the choice of abandoning containment for rollback and all the dangerous ramifications such a choice would have brought.

The implication is that, with the exception of BGFIEND, the CIA offensives in Eastern Europe that spanned the Truman years were aimed at weakening rather than rolling back the Kremlin's control within its own sphere of influence. Coercive containment of this kind was, furthermore, predicated on the need to strike the right balance: to recruit, and to an extent deploy, a wide range of assets in preparation for the worst case scenario of Korea escalating into a general war involving both superpowers, but to ensure that these preparations themselves did not trigger such a war.

On a tactical level, the political and paramilitary offensives that the agency actually mounted between 1948 and 1952 proved to be ill-conceived and/or poorly executed, as BGFIEND, the boat landings in the Baltic States, and the WiN deception in Poland demonstrated. Equally pertinent is the point that many of these projects hinged on the OPC/DDP working in close cooperation with MI6, and to a lesser extent with the Gehlen organisation, in what are known as interdependent intelligence alliances. Such arrangements pose a fundamental difficulty, in that the penetration of one of the partner services by an adversary opens the way for the penetration of both or, in the cases where more than two agencies are working together, all of the participants.<sup>20</sup> The OPC/DDP's mission was in fact severely impaired by this very problem. The Soviet intelligence services were able to penetrate operations initiated by the agency in collaboration with the Gehlen organisation through the use of double agents such as Heinz Felfe. Spies such as Burgess, Maclean, and most notably Philby, who were recruited by Moscow whilst at university and joined the British Foreign Office and MI6 with the primary objective of advancing the Soviet cause, did even greater damage. Most, if not all, of the offensive covert operations mounted by the CIA in collaboration with MI6 between 1949 and 1951 were compromised by Philby.<sup>21</sup>

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<sup>19</sup>CIA, Intelligence Memo. 218, "Strengths and Weaknesses of the Hoxha Regime in Albania," 12 Sept. 1949, Intelligence Memos. 1949 folder, box 250, Central Intelligence File, PSF, Truman Papers, HSTL.

<sup>20</sup>Godson, *Dirty Tricks or Trump Cards*, pp.177-180.

<sup>21</sup>Cave Brown, *Treason in the Blood*, pp.391-438; Wolf, *Man Without a Face*, p.51.

Accurate analysis of the Philby case is, of course, hindered by a lack of solid proof to validate William Corson's claim that the agency knew that the SIS liaison officer to Washington was a spy from the time of his appointment and used him to spread disinformation in the Trojan deception programme.<sup>22</sup> The only conclusion that can be drawn in the absence of such evidence is that, at least in the case of Philby, the CIA was not effective in protecting itself from Soviet penetration of Anglo-American covert operations through the use of high-level British spies.

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After the death of Stalin and the cessation of hostilities in Korea the *raison d'être* for the deployment of clandestine operations against the Eastern bloc changed. At this point Soviet policy went through a transformation which saw a collective Russian leadership and subsequently Khrushchev promoting the pursuit of 'separate paths to socialism' in the Eastern European satellites, advocating peaceful coexistence with the West, and renouncing Stalin.

Indications that a changed Cold War environment would create new opportunities for the CIA to exploit came as early as June 1953, when anticommunist riots erupted in East Berlin and spread throughout the GDR, but at this stage a strong measure of uncertainty characterised the DDP's approach to its Eastern European mission. Seeking to capitalise on events, the CIA station chief in Berlin's western sector, Henry Heckscher, sought permission from Washington to smuggle firearms into the Soviet zone, only to be overruled by Wisner and John Bross. The injection of such weaponry would, the DDP and his Eastern European Division chief maintained, be tantamount to murder in the face of Red Army might. However, Allen Dulles, who, not for the last time, was absent at the crucial moment, is said to have been disappointed at his senior DDP staff for not pursuing a more aggressive line over Berlin.<sup>23</sup>

The aftermath of the Berlin riots thus saw a redoubling of CIA's captive nations mission, with the launch the Red Sox/Red Cap programme.<sup>24</sup> The difference now was that, rather than preparing for war, as had been the case between 1948 and 1952,

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<sup>22</sup>Corson, *Armies of Ignorance*, pp.327-328.

<sup>23</sup>Hersh, *The Old Boys*, p.377; Grose, *Gentleman Spy*, pp.356-357.

<sup>24</sup>See chapter 5, p.136.

Wisner and his colleagues were seeking primarily to exploit the widespread thirst for independence and freedom that they anticipated as arising in Eastern Europe as a consequence of the Kremlin's policy change.<sup>25</sup> Exactly what final outcome the CIA leadership envisaged as arising from these moves is difficult to discern. Allen Dulles, for example, is said by Robert Amory to have seen "little profit in encouraging the evolution of semiautonomous – but still Communist societies." Bissell reinforces this view, maintaining that what he and the DCI saw as really desirable were "takeovers we planned, with political outcomes we could control."<sup>26</sup>

What calls these claims into question is the fact that neither draws any distinction between short-term and longer range objectives. The Eisenhower administration, it will be recalled, regarded Yugoslav-style independence and Austrian-style neutrality as staging posts on the road from Soviet communism to western democracy. Bearing this in mind, there *was* profit to be had from "encouraging the evolution of semiautonomous – but still Communist societies," since such societies pointed the way to the ultimate objective of rollback by peaceful means.<sup>27</sup> Not only this, but Allen Dulles's strategy following Khrushchev's repudiation of Stalinism at the Twentieth Congress of the Soviet Communist Party in February 1956 also casts doubts on Amory's and Bissell's views.

Delivered in closed session, the half-day long speech was, of course, extremely significant. It confirmed Khrushchev's position as undisputed Soviet leader and its relentless and detailed content laid bare many of the excesses and inefficiencies of Stalinism. For the CIA, then, procuring a transcript of the speech was of paramount importance, since its possible consequences needed to be gauged as quickly as possible so the agency could initiate plans to take advantage of the situation.<sup>28</sup> Within two months, the DDP had produced two authentic copies of the speech, one obtained by Wisner and the other by Angleton, purportedly through his contacts in the Israeli Secret

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<sup>25</sup>NSC 5608/1, "U.S. Policy Towards the Soviet Satellites in Eastern Europe," 18 July 1956, *FRUS* 1955-57, Vol. 25: 216-222.

<sup>26</sup>Interviews with Robert Amory and Richard Bissell in Hersh, *The Old Boys*, p.380.

<sup>27</sup>See chapter 5, pp.148-149

<sup>28</sup>Dulles, *The Craft of Intelligence*, p.80; the CIA is said by Peter Grose to have "received its first fragmentary reports" of the speech from defector-in-place Pyotr Popov, see *Gentleman Spy*, pp.419-420.

Service.<sup>29</sup> Allen Dulles's actions at this point, however, raise questions about the extent to which he believed the agency could or should control events within Eastern Europe.

Following the CIA's acquisition of the much-coveted transcript, a debate took place as to how its contents might best be utilised. From the analytical wing of the agency came Ray Cline's argument that the speech should be released in full for the world to scrutinise. It was, after all, the most comprehensive indictment of Soviet totalitarianism ever to emerge from behind the Iron Curtain, and it had been delivered by no less a person than the leader of the USSR himself.<sup>30</sup> Wisner and Angleton, on the other hand, had more complex and integrated plans for exploiting the speech, which hinged on releasing it piecemeal to specific Eastern European countries, with the aim of controlling the nature and magnitude of dissent in each of the captive nations. These DDP projections made provision for RFE and Radio Liberty lacing the revelations with disinformation. Finally, simultaneous moves to upgrade the Red Sox/Red Cap programme would be set in motion to ensure that CIA-trained paramilitaries could be injected into their homelands if and when such forces could have a viable and positive impact on the course of events.<sup>31</sup>

At the core of the debate over the use of Khrushchev's speech, then, was the issue of control, with Wisner and Angleton pressing for the CIA to maintain the optimum degree of control and Cline arguing for events to be left to take their own course. Allen Dulles came down in favour of Cline, however, which flies in the face of Bissell's claim that the DCI favoured takeovers that the agency planned and political outcomes that the agency could control.<sup>32</sup>

As it was, the two major examples of national disaffection and insurrection which followed Khrushchev's speech, in Poland and Hungary, resulted from indigenous conditions rather than anything that the CIA initiated. Poland was spared from a full-scale Red Army invasion, Hungary was not. Though the CIA implemented a number

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<sup>29</sup>There is still some debate as to exactly how Angleton acquired the full text, with the alternative source to the Israeli Secret Service being Palmiro Togliatti, who is said to have been delighted to see Stalin exposed at last, see Winks, *Cloak and Gown*, pp.413-414.

<sup>30</sup>Cline, *Secrets, Spies, and Scholars*, pp.162-164.

<sup>31</sup>Hersh, *The Old Boys*, pp.381-382; Prados, *Presidents' Secret Wars*, pp.122-123; Winks, *Cloak and Gown*, pp.413-414.

<sup>32</sup>Cline, *Secrets, Spies, and Scholars*, p.164; Grose, *Gentleman Spy*, pp.425-426.

of preparatory measures once the Hungarian uprising had begun, they fell short of Wisner's call for all means at America's disposal, including covert action and even overt military power, to be deployed in support of Nagy and his countrymen.<sup>33</sup>

The DDP's urgings went unheeded essentially because Eisenhower lacked the political will to provide active assistance to Hungary. All other considerations aside, the country was land-locked, as the president pointed out, and he rejected categorically the proposition that recently-negotiated Austrian neutrality be violated to enable American troops to go into Hungary and thereby risk starting World War III.<sup>34</sup> There were, as well, factors of timing and justification to be considered: how could the United States move against the Russians in response to their repression of Hungary, while America's foremost allies, Britain and France, were making common cause with Israel and mounting a similarly unwarranted act of aggression at Suez?<sup>35</sup>

In overall analysis, then, American deployment of political action and paramilitary offensives, at least within the Soviet Union and the defence buffer zone that it established on its western borders at the end of World War II, was aimed at weakening the Kremlin's hold in the target countries. The risks involved in seeking the elimination of Russian domination, even if such an outcome could have been achieved, were simply too great and easily outweighed the benefits: much was spent and little was gained, partly because successive administrations were uncertain about what they wanted to achieve and partly because the OPC/DDP was naive in the objectives it set for itself.

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Where the agency scored more satisfactory results was in Iran and Guatemala. What needs to be stressed, however, is that these were fundamentally different enterprises from those mounted by the CIA against the communist bloc. Operations TPAJAX and

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<sup>33</sup>Corson, *Armies of Ignorance*, p.371; Thomas, *The Very Best Men*, pp.146-147; Hersh, *The Old Boys*, pp.392-393, pp.401-403.

<sup>34</sup>Eisenhower, *Waging Peace*, p.95.

<sup>35</sup>Washington's belief that its options for action in Hungary were doubly constrained because of the action taken by America's allies at Suez is articulated well in an exchange between Allen and John Foster Dulles at a critical White House meeting on 1 November 1956, see Scott Lucas (ed.), *Britain and Suez: The lion's last roar* (Manchester and New York, 1996), p.97.

PBSUCCESS were, to begin with, preventive as distinct from offensive ventures, that reflected the expansion of the Cold War to the third world. The removal of Musaddiq, for instance, was at heart aimed at displacing a leader who the Eisenhower administration regarded as being vulnerable to a Tudeh takeover. In the case of Arbenz's ouster, Washington was seeking partly to prevent communism from creeping into the Western Hemisphere through the back door. That both of the targeted leaders were democratically-elected was of no consequence to Eisenhower. Equally significant, and indeed more so with the Guatemala campaign, was the strategic dimension. In sanctioning Operation TPAJAX, the American president saw himself as striking a blow against what was depicted as communist infiltration of the higher reaches of the Iranian government at a time when the Kremlin was too embroiled in the Berlin riots and the leadership struggle that followed in the wake of Stalin's death to react with anything other than predictable anti-American rhetoric. For its part, PBSUCCESS was as much an experiment for the Eisenhower administration as Operation BGFIEND had been for Wisner and his colleagues at the OPC. The objective in Guatemala was, in effect, to test the viability of covert action within the context of the wider asymmetry on which the New Look was based, and against the background of concurrent international and domestic difficulties that Eisenhower faced.

The Iran and Guatemala campaigns signalled the high-water mark of CIA covert action. They were, however, only successes in the short-term. Musaddiq's downfall strangled Iranian democracy in its infancy and opened the way for the authoritarian rule of the Shah and the even more repressive Islamic Republic. Guatemala suffered under equally unrepresentative government and decades of civil war that only ended in the 1990s. TPAJAX and PBSUCCESS, furthermore, alerted real and potential future targets of the CIA to the dangers of American covert action, thus enabling Sukarno to thwart Operation HIKE and Castro to repel the CEF at the Bay of Pigs.

The Indonesian venture and the JMARC campaign had much in common. Both were unwieldy and too large to be kept secret. Both proceeded from the misconception that indigenous opposition backed up with American power would be enough to cause the army to rebel and mount a coup d'état, or, in the case of Indonesia, to create the conditions for a separatist regime to take control in Sumatra if the primary objective of overthrowing Sukarno failed. Neither enterprise took sufficient account of how firmly in control the head of state actually was. Operation HIKE was, however, the CIA's first major debacle since Allen Dulles decided to specialise and concentrate the DDP's

efforts on the third world. There were, in effect, no precedents from which to learn, though it should be stressed that Wisner did warn the Dulles brothers that the prospect of the American hand being exposed was unacceptably high.<sup>36</sup> In the case of Operation JMARC, the CIA and military officers involved had forewarning of the potential for the enterprise to misfire as a consequence of the Indonesian experience. Their failure to take account of these lessons arose as a result of the misplaced assumptions mentioned above and the mistaken belief that Kennedy would do what was necessary in order to prevail, just as Eisenhower had done during the Guatemala campaign.

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The most unqualified and public failure in the CIA's history, the CEF's defeat at the Bay of Pigs instigated an escalation of the conflict between Cuba and the United States that saw the authorisation of Operation MONGOOSE and the intensification of the agency's assassination plots against Castro. That any record exists of CIA involvement in such a sensitive area as assassination is testimony to the openness of American society. What is less certain is whether such activity was effective as an instrument of policy.

Leaving aside the fact that DDP plans to murder Stalin in 1952 and Arbenz in 1954 were vetoed, there is definite evidence that the agency devised plots to kill five heads of state during the period under study – Lumumba, Trujillo, Diem, the Iraqi dictator Colonel Abdul-Rauf al-Kassem, and Castro. Of these foreign leaders, four were slain by indigenous opponents who were associated with the agency. There was no proof of direct CIA involvement in any of the killings, but this was entirely consistent with the agency's modus operandi. Plausible deniability demanded no less than that covert action, whatever its nature, looked as if it was the outcome of home-grown developments. In terms of immediate objectives, then, the CIA or more accurately the proxy groups which it used, achieved an 80 percent success rate with these assassination plots.<sup>37</sup>

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<sup>36</sup>Wisner's doubts about Operation HIKE were raised at an NSC meeting in 1957, as is outlined in the still classified *Clandestine Services History 53: Covert Support to Indonesian Revolutionary Government 1957-1958* (CIA), p.49, in Thomas, *The Very Best Men*, p.158.

<sup>37</sup>Grose, *Gentleman Spy*, pp.328-329; Haines, *Guatemala Assassination Proposals*, pp.1-12; Church Committee, *Alleged Assassination Plots*; Ranelagh, *The Agency*, p.336, pp.344-345. The CIA is also alleged to have planted a bomb on an Air India plane on which Communist China's Foreign Minister

On the other hand, only the Lumumba slaying can be deemed to have produced anything approaching the desired effect over the longer term. In brief, it eased the way for Mobutu, the man deemed to be the least bad of the contenders to take control of the Congo, to rise to prominence in 1961 and seize power four years later. The Trujillo murder, though it was intended to signal American antipathy towards dictatorship of all political hues in the Caribbean and also prevent a repeat of the Cuban revolution in the Dominican Republic, resulted in more of the same corrupt caudillo rule. Kassem was, to use Andrew Tully's words, "a dangerous, capricious militarist" who deposed King Faisal's pro-western government in 1958, enlisted communist support, repudiated the Baghdad Pact, and laid claim to Kuwait in 1961. He was thus deemed, justifiably, to represent "a long-range threat to the peace of the Middle East."<sup>38</sup> His ouster from power and subsequent execution by firing squad did not bring enduring stability to Iraq, however, as the rise of Saddam Hussein demonstrates. Finally, Diem's killing served only to escalate the conflict in Vietnam.

Of all the assassination programmes that the CIA is known to have engaged in, the plots against Castro have gained the greatest notoriety. In its attempts to kill the Cuban leader, the agency resorted to the most bizarre of tactics, including the recruitment of Mafia chieftains over whom little control could be exercised. When the murder plans against Castro were first sanctioned, the CIA did have some conception of how such an act would complement wider American policy. The assassination would be timed to occur prior to or in conjunction with the CEF invasion, decapitating the Cuban revolution in its hour of greatest need, and thereby optimising the prospects of a military coup and/or a general uprising.<sup>39</sup> Similar reasoning applied during Operation MONGOOSE, but the real problems with the post-JMARC anti-Castro programmes were that, as with the Albanian venture, Washington took insufficient account of the obstacles that confronted the agency in the target country and, most importantly, the

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Chou En-lai was scheduled to fly to the Bandung Conference in Indonesia in April 1955. The plan to kill Chou was vetoed by Allen Dulles, but not in time to prevent the bomb from being placed on the plane, which blew up in mid-flight, and it was only because of a last-minute decision by Chou to change his travelling plans that his life was saved, see *Church Report*, Bk. 4, p.133 and Ranelagh, *The Agency*, p.767.

<sup>38</sup>Andrew Tully, *CIA: The Inside Story* (New York, 1962), pp.73-80, quote on p.87; Ranelagh, *The Agency*, pp.344-345.

<sup>39</sup>Church Committee, *Alleged Assassination Plots*, p.95; Thomas, *The Very Best Men*, p.251.

policy guidelines were unclear. CIA clandestine action may have been the most appropriate vehicle for meeting the Cuban challenge to Betancourt's rule in Venezuela. In respect of long-term relations between Washington and Havana, however, there was no real policy to serve other than to comply as best as possible with the Kennedy brothers' impractical and impetuous calls for the CIA to "get rid of Castro" – the implication being by any means.

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To measure the CIA's performance in the field of covert action is, of course, to look beyond its deployment of assassination, which is, after all, only one element amongst a wide range of strategies and techniques that were at the agency's disposal. In some respects, comprehensive analysis of this kind can be a restrictive exercise, primarily because of the incomplete nature of the available evidence. With regard to economic warfare, for example, anything approaching an accurate assessment of the agency's performance in the spheres of clandestine preclusive buying, market manipulation, currency speculation, counterfeiting, and black market operations, will prove difficult, if not impossible, to arrive at as long as the available sources on these dimensions of the CIA's work remain so sparse. In light of such drawbacks, any overall conclusions drawn from the study of the CIA's covert action mission during its formative period must remain partial and subject to constant revision, as and when new sources enter the public domain.

What does, nevertheless, emerge from the operations that have been examined is that defensive covert action fulfilled the overarching objective for which it was designed: to contain, or more precisely to assist in the drive to neutralise the communist threat in those countries that were lodged firmly in the western camp. The political action and psychological warfare programmes that were mounted by the CIA in Western Europe and Japan served as effective complements to the overt military and, more particularly, the economic measures that the United States implemented to secure these vital strongpoints. This applied for the full duration of the Cold War, but was especially true during the late 1940s and early 1950s, when the social and economic dislocation that was widespread throughout Western Europe offered unprecedented opportunities for local Communist parties and the Soviet Union to exploit. Also illustrative of the viability of defensive covert action was the counterinsurgency programme implemented by Lansdale in the Philippines from 1950 to 1954, which was crucial to the defeat of the Hukbalahap. Each case cited saw a high degree of coordination between policy and

strategy. CIA-initiated measures were integrated with overt instruments of containment, and matched with short and long-term American national security objectives.

The agency's overall performance in the sphere of offensive covert action is much harder to gauge. That the paramilitary and political action offensives of the 1948 to 1956 period failed to significantly weaken or roll back Soviet power in Eastern Europe is self-evident, and the reasons have already been dealt with at some length. What is, however, the most telling point about these operations is that, unlike the CIA's defensive programmes, offensives of this kind had little in the way of wider American policy objectives with which to mesh. Put simply, the rolling back of communism in the Soviet bloc would have been dependent, not only on the successful deployment of offensive covert action, but also on Washington's implementation of complementary overt measures, such as the breaking off of diplomatic relations with, and/or the enforcing of secondary trade boycotts against, the targeted countries.<sup>40</sup> Neither Truman nor Eisenhower was prepared to contemplate making such moves, which restricted the extent to which coercive containment could be effective.

In contrast, the sustained propaganda and psychological warfare campaign that the CIA conducted against the Eastern bloc did pay dividends, albeit over the longer-term. Of course, communist rule in the Soviet Union and its satellites collapsed primarily because of the inherent political and economic weaknesses of the system itself. The agency was, however, relentless in its campaign to keep the 'captive peoples' focused on these weaknesses, and to create and maintain the perception that a vastly more palatable alternative existed in the West. As such, the CIA played a role in bringing about the eventual rollback or, more accurately, the implosion of communism in the Soviet Union and Eastern Europe, though the true extent of that role is difficult to determine.

Preventive covert action likewise defies cut and dried conclusions. One pitfall to arise from this type of operation, for example, was that while the CIA could remove, or assist in the removal of, leaders whose rule was deemed to be detrimental to American interests, the agency could not guarantee that the successors that it favoured would, on securing their positions, continue to do Washington's bidding. Such was the case in Egypt. The DDP assisted the Free Officers in their ouster of King Farouk, only to

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<sup>40</sup>Godson, *Dirty Tricks or Trump Cards*, p.46.

discover that Nasser's medium-term policies were at complete odds with those of the United States.<sup>41</sup>

A similar lack of coordination between short-term preventive action and long-term American policy applied in the cases of the Iran and Guatemala operations. At their most basic level, TPAJAX and PBSUCCESS met with positive results: they prevented what the Eisenhower administration perceived as the potential for communist regimes to take control in Iran and Guatemala. The coups against Mussadiq and Arbenz, however, carried negative repercussions. As has been pointed out, they did nothing to foster democracy or stability in the host countries. Not only this, but TPAJAX and PBSUCCESS also led many in the third world to look on the United States as a reactionary, imperialist power. These perceptions were reinforced following the failed Indonesian venture and the Bay of Pigs fiasco, which in turn impaired Washington in its ability to fight the battle for hearts and minds in the underdeveloped world. In citing the anti-Castro campaigns alongside earlier preventive operations, it should be stressed that Cuba was a special case. The objective was not to prevent communism from taking hold, but to remove a Marxist-Leninist regime that was already in power. Covert action, whether it took the form of the PBSUCCESS model or Lansdale's counterinsurgency techniques, was no more able to fulfil this task than it had been in Eastern Europe.

Not all of the clandestine operations that the CIA conducted between 1947 and 1963 fit comfortably within the defensive-offensive-preventive delineation. Wartime operations, such as the Montagnard campaign in the central highlands of Vietnam, and the Hmong's efforts in the Laotian panhandle, for instance, involved a good deal of overlap between defensive and offensive modes of action. An additional factor that presents itself as being worthy of mention in referring to these particular operations is that they generally meshed well with wider American war aims, regardless of the fact that those aims themselves did not meet with ultimate success. In this sense, the wartime campaigns mounted in Indochina by the CIA in partnership with the Defense Department are illustrative of the fact that effective coordination between policy and operations did not always guarantee a positive outcome.

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<sup>41</sup>Copeland, *Game Player*, pp.158-171; Simpson, *Blowback*, pp.250-252; Hersh, *The Old Boys*, pp.331-332; Andrew, *For the President's Eyes Only*, p.226; Lucas (ed.), *Britain and Suez*.

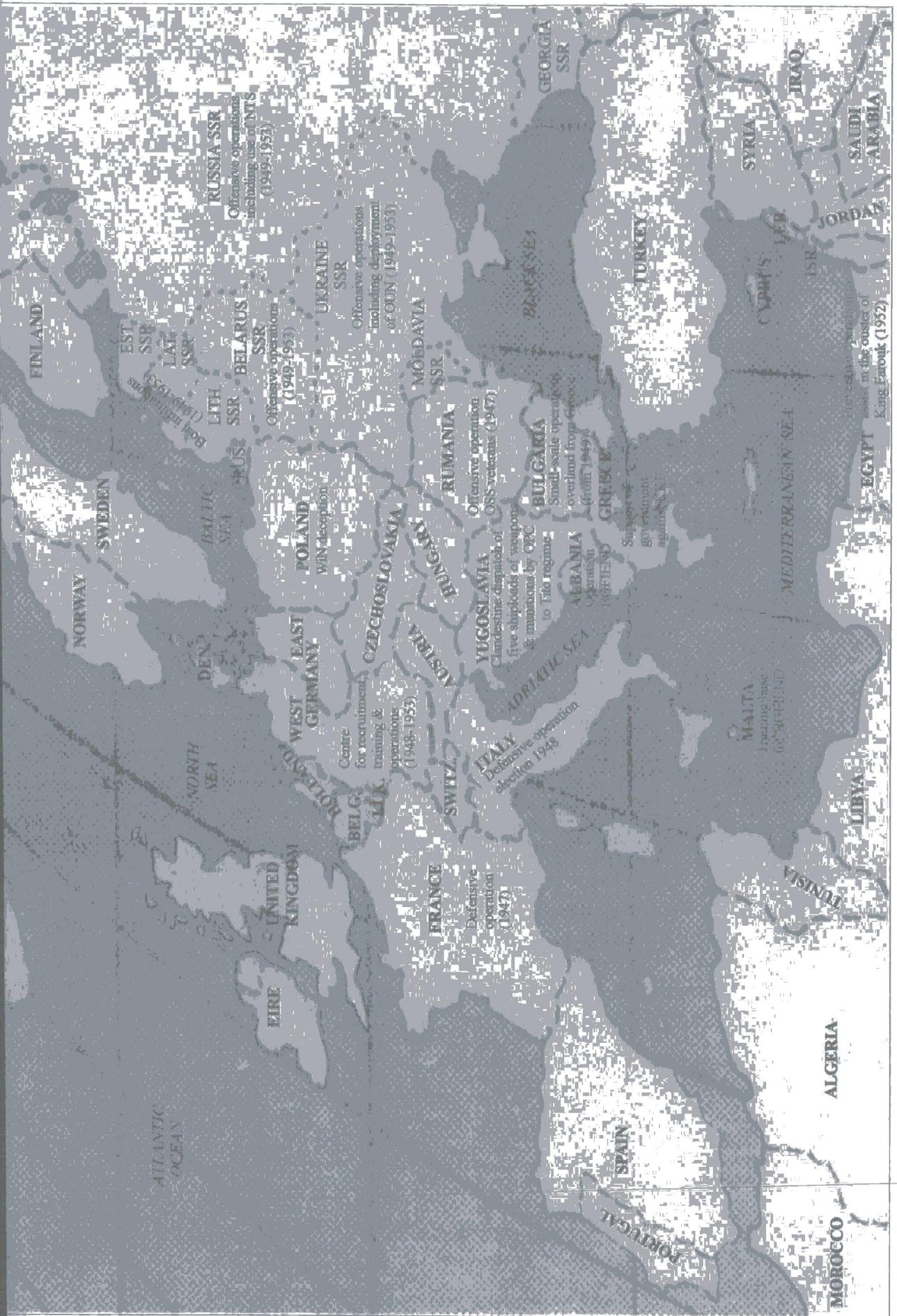
There is, of course, an inherent problem in gauging the merits and demerits of CIA covert action on an operation-by-operation basis, in that the real successes have by definition remained secret, while the failures have entered the public domain either immediately after the event or belatedly. Perhaps the true measure of CIA covert action was in its cumulative effects. The agency launched a huge number of projects of varying magnitude and impact during its first fifteen years.<sup>42</sup> Taken together, these enterprises served notice on the Soviet Union and any other potential adversary that the United States was always willing and often able to counter real and perceived challenges to American interests anywhere and everywhere that they threatened. In providing Washington with a means of circumventing the constraints that postwar advances in international law and Soviet acquisition of atomic weaponry placed on America's capacity to act overtly, covert action had an overall influence on the course of the Cold War. Determining the exact extent of that influence will, however, continue to be an elusive exercise while so much of the CIA's archive remains classified.

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<sup>42</sup>Karalekas. *History of the CIA*, p.67.

**Appendix 1: CIA European Operations, 1947-1953**



**Appendix 2: Italian Election Results for 1946 and 1948**  
 (from Norman Kogan, *A Political History of Italy: The Postwar Years*, p.40)

**Election Results, 1946**

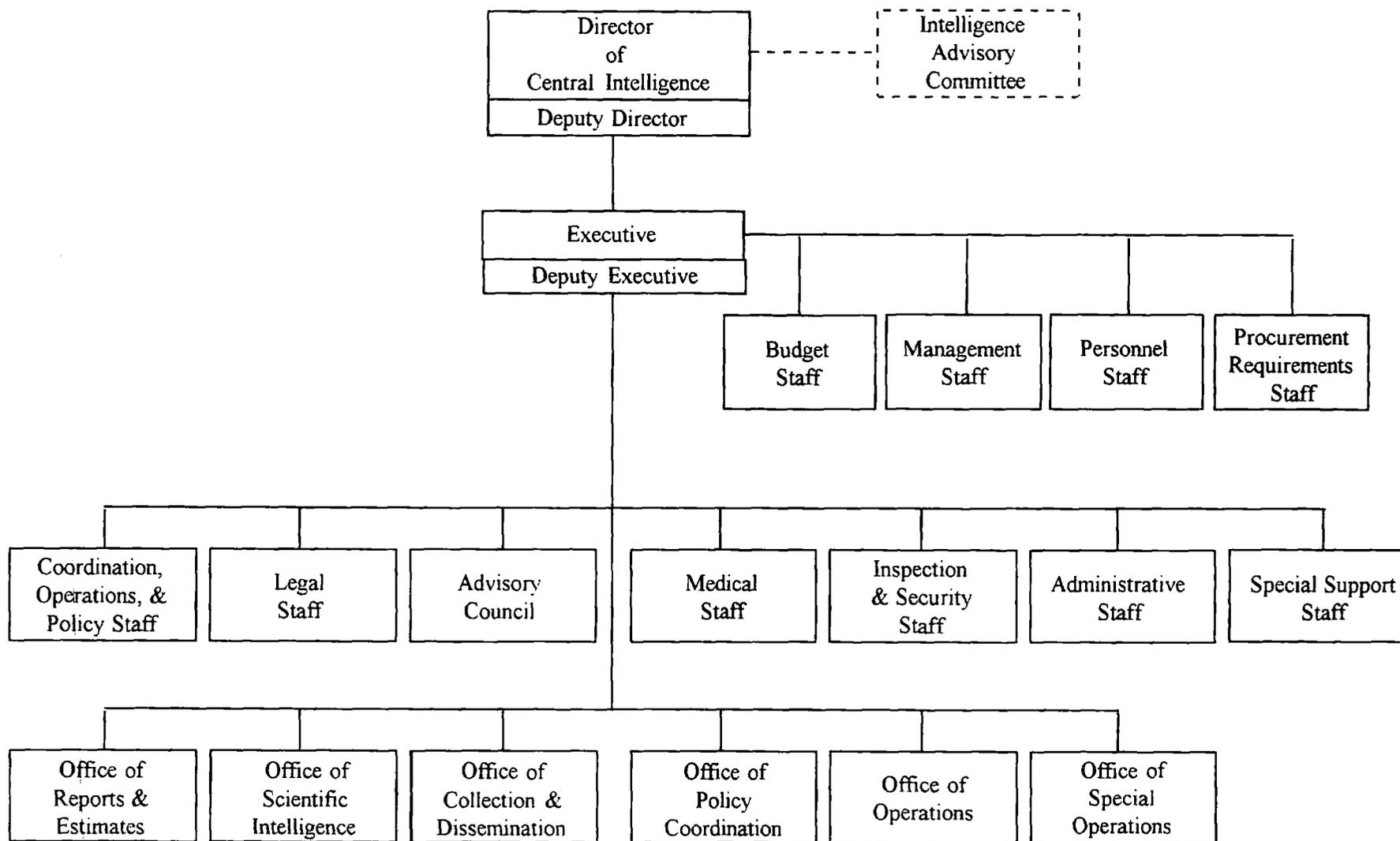
<u>Parties</u>	<u>1946</u> <u>Popular Vote</u> <u>(in percentages)</u>
Uomo Qualunque	5.3
Monarchist	2.8
Liberal	6.8
Christian Democrat	35.2
Republican	4.4
Socialist	20.7
Communist	19.0
Others	5.8
	<i>Total 100</i>

**Election Results, 1948**

<u>Parties</u>	<u>1948</u> <u>Popular Vote</u> <u>(in percentages)</u>
Uomo Qualunque	2.0
Monarchist	2.8
Liberal	3.8
Christian Democrat	48.5
South Tyrol Populist	0.5
Republican	2.5
Social Democrat	7.1
Socialist/Communist	31.0
Others	1.8
	<i>Total 100</i>

**Appendix 3: CIA Organisation Chart, 1948 to 1950**

**(from Montague, *Smith-DCI*, p.112)**



Prior to the establishment of the OPC, CIA covert action was the responsibility of the SPG which was housed in the OSO.

Appendix 4:ADPC Wisner breakdown of OPC's Mission  
(from FRUS: Intelligence Community, 1945-50: 730-731)

Function Group I - Psychological Warfare

- Program A - Press
- Program B - Radio
- Program C - Miscellaneous (direct mail, poison pen, rumors)

Functional Group II - Political Warfare

- Program A - Support for Resistance (underground)
- Program B - Support for DPs and Refugees
- Program C - Support for anti-Communists in Free Countries
- Program D - Encouragement of Defection

Functional Group III -Economic Warfare

- Program A - Commodity operations (clandestine preclusive buying, market manipulation, and black market operation)
- Program B - Fiscal operations (currency speculation, counterfeiting, etc.)

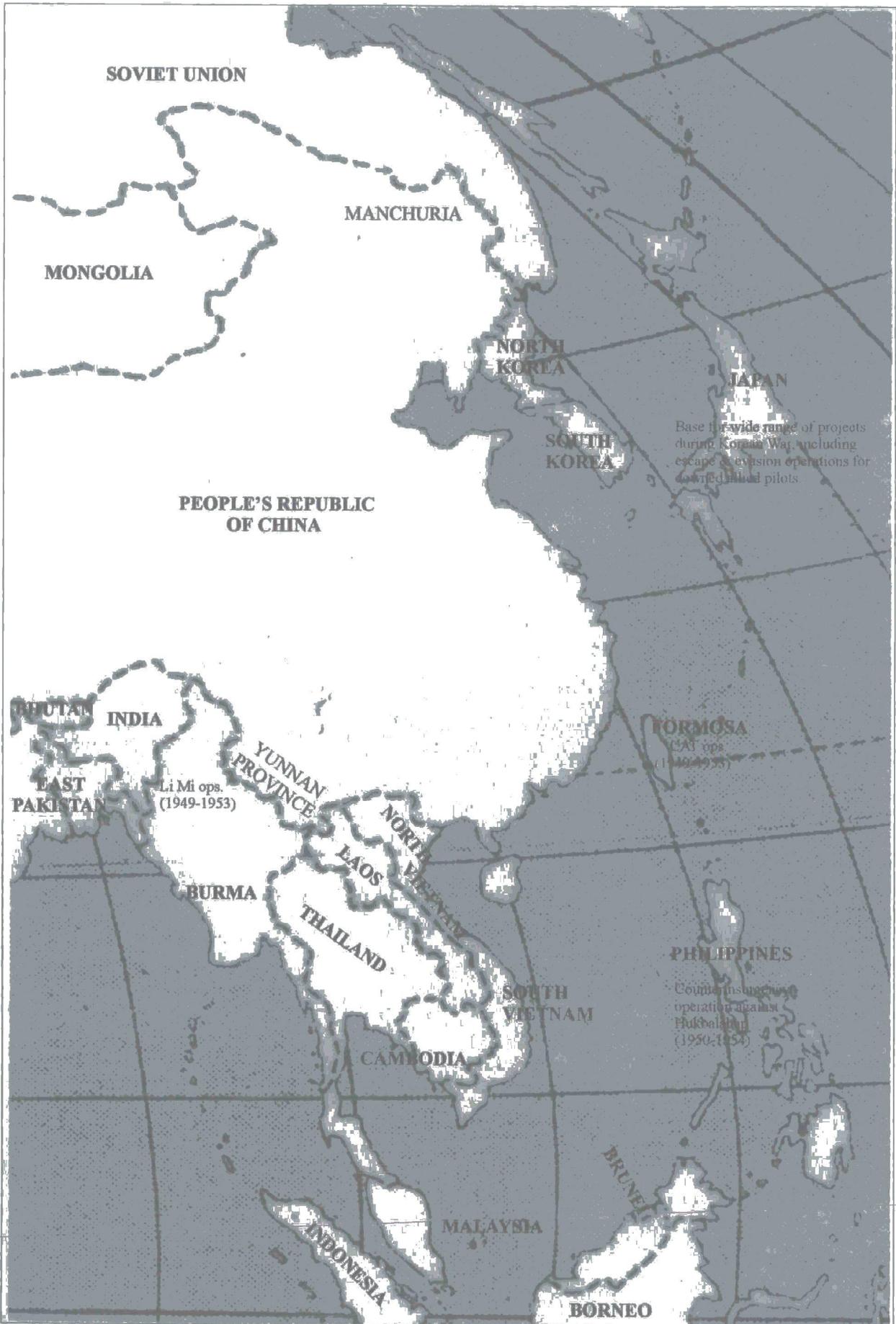
Functional Group IV - Preventive Direct Action

- Program A - Support for Guerrillas
- Program B - Sabotage, Countersabotage, and Demolition
- Program C - Evacuation
- Program D - Stay-behind

Functional Group V - Miscellaneous

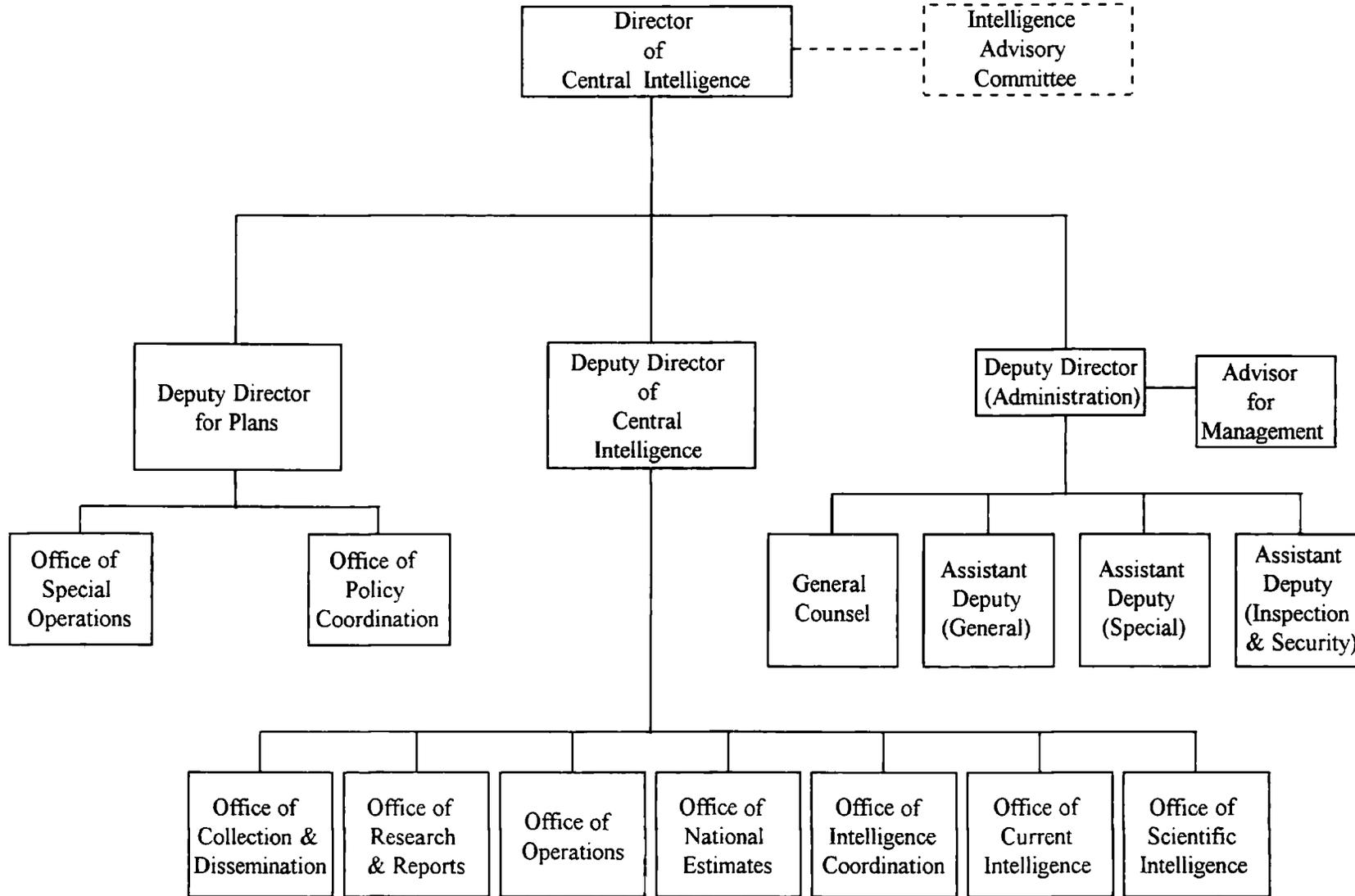
- Program A - Front Organisations
- Program B - War Plans
- Program C - Administration
- Program D - Miscellaneous

**Appendix 5: CIA Far-eastern Operations 1948-1954**



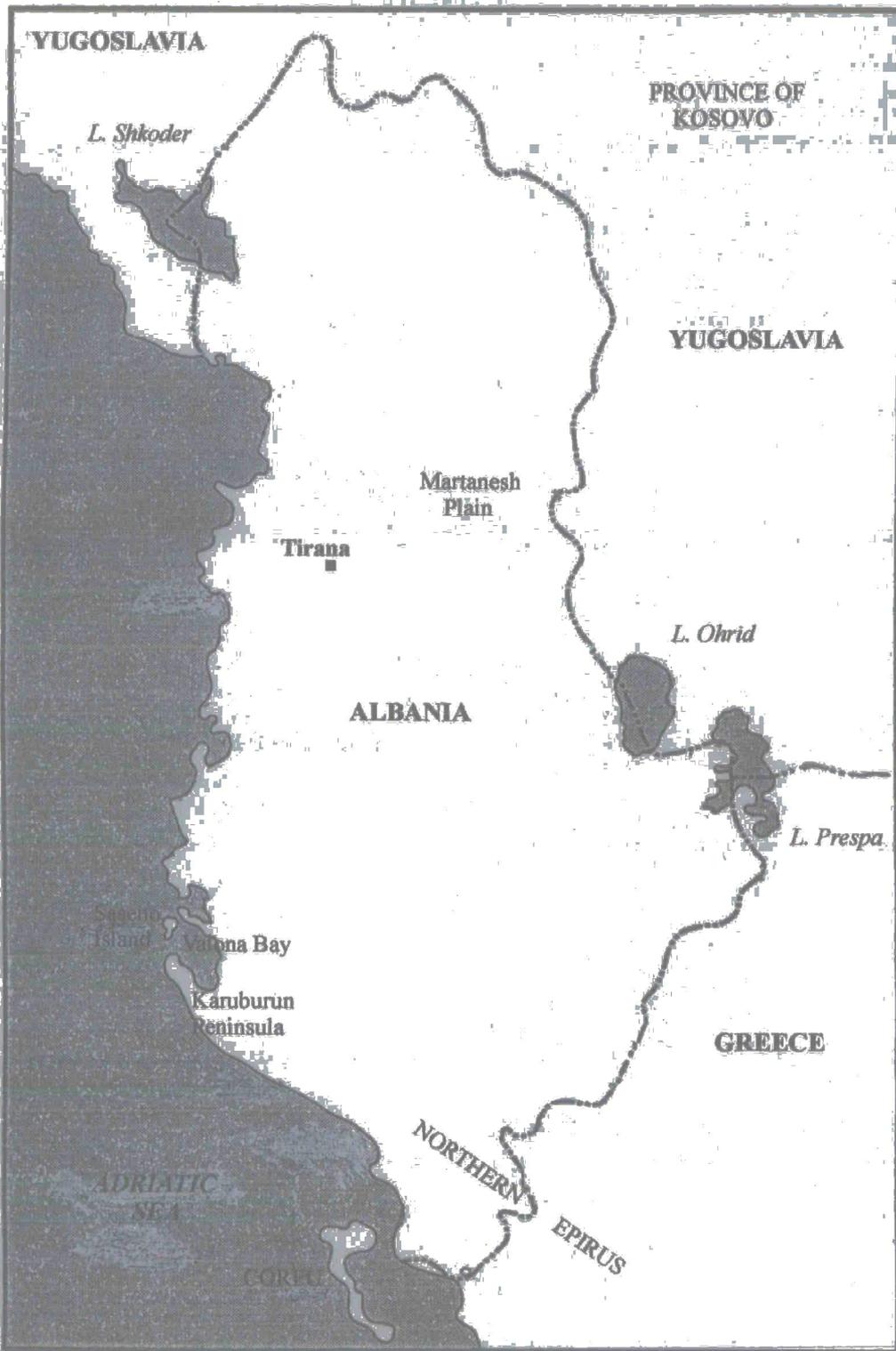
(from Montague, *Smith-DCI*, p.113)

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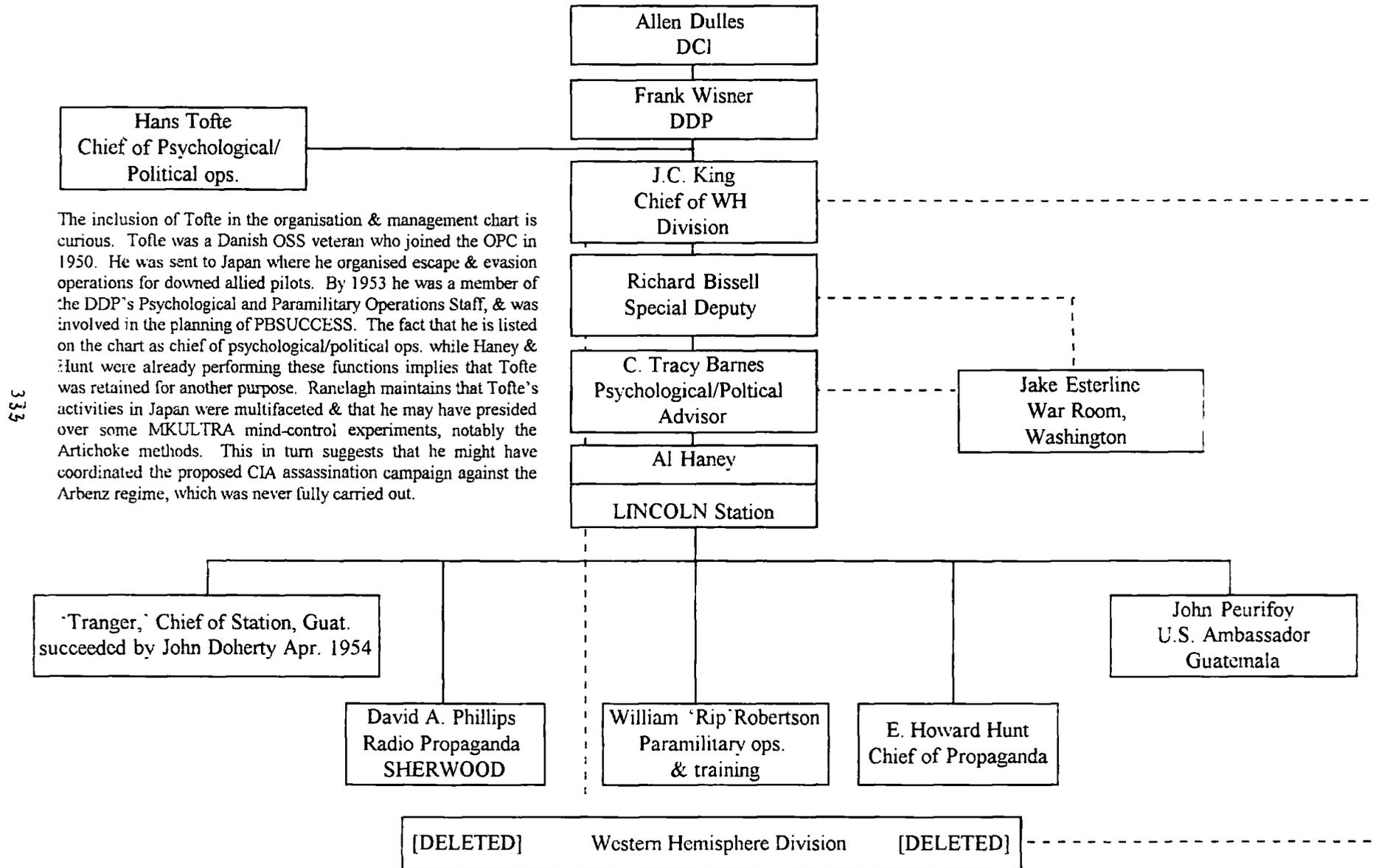


\*The Office of Operations (OO) was originally envisaged as being integrated into the DDP but was brought under the jurisdiction of the DDI in March 1952 (see Montague, *Smith-DCI*, pp.185-189).

**Appendix 7: Key Locations: Operation BGFIND**



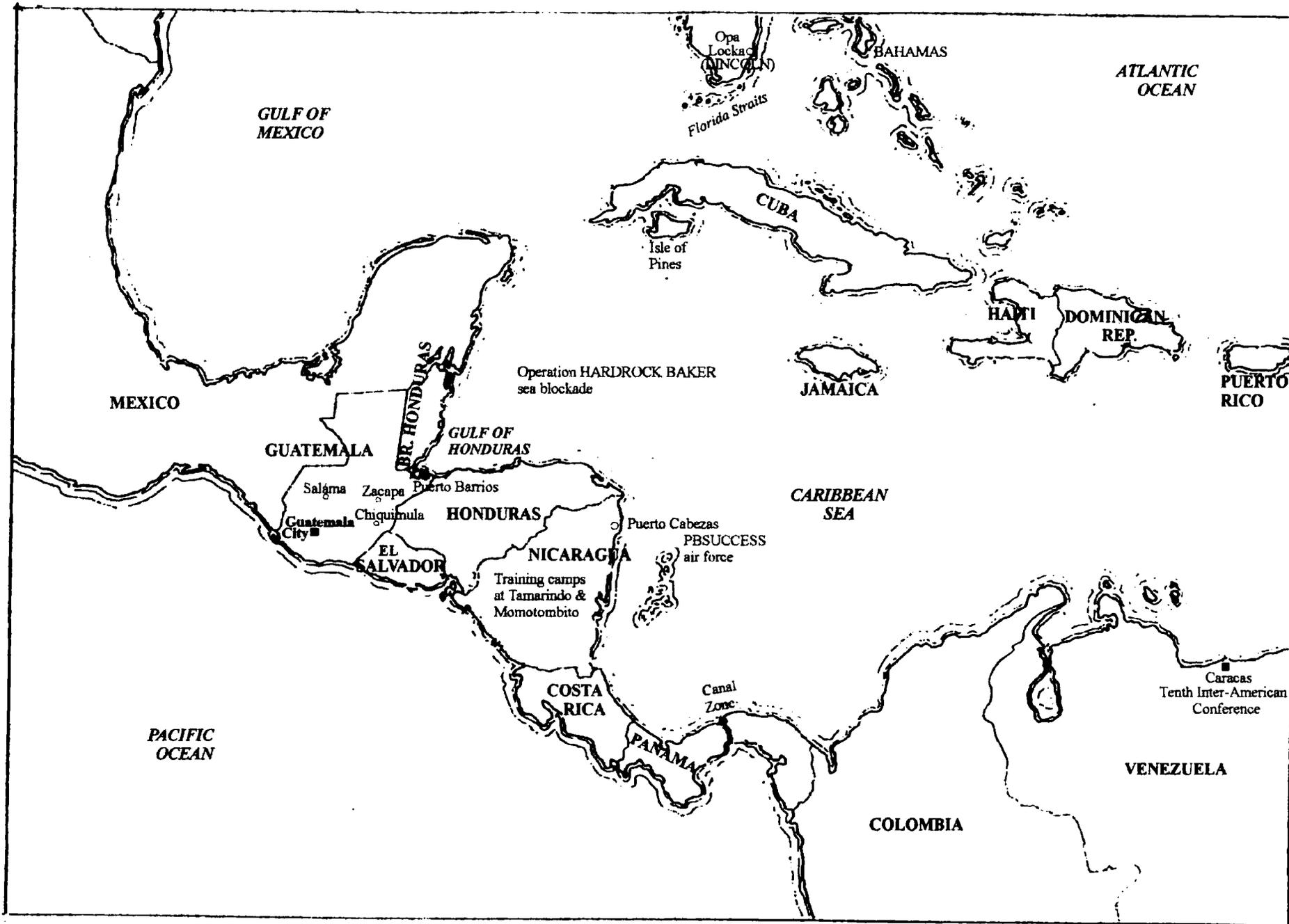




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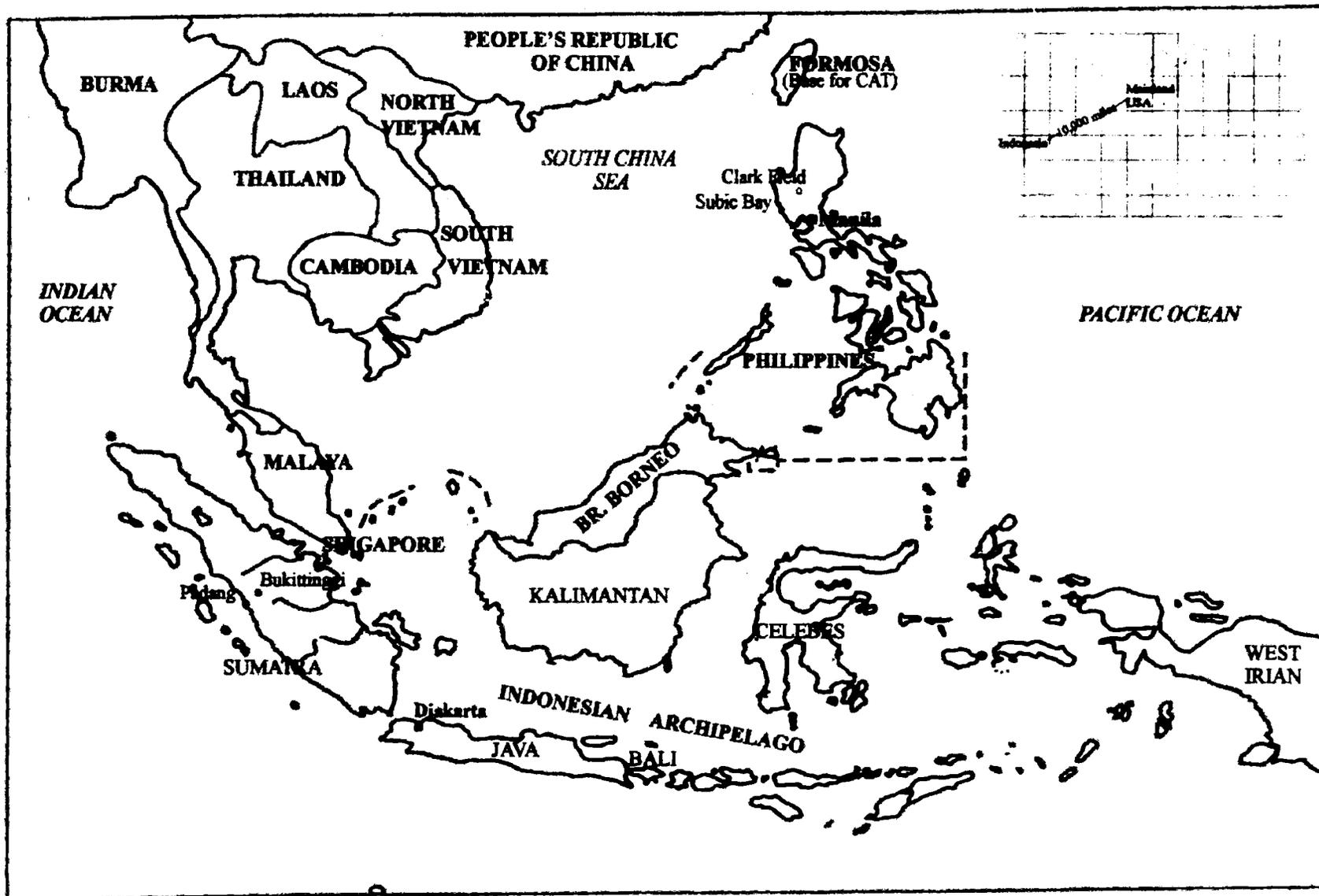
The inclusion of Tofte in the organisation & management chart is curious. Tofte was a Danish OSS veteran who joined the OPC in 1950. He was sent to Japan where he organised escape & evasion operations for downed allied pilots. By 1953 he was a member of the DDP's Psychological and Paramilitary Operations Staff, & was involved in the planning of PBSUCCESS. The fact that he is listed on the chart as chief of psychological/political ops. while Haney & Hunt were already performing these functions implies that Tofte was retained for another purpose. Ranelagh maintains that Tofte's activities in Japan were multifaceted & that he may have presided over some MKULTRA mind-control experiments, notably the Artichoke methods. This in turn suggests that he might have coordinated the proposed CIA assassination campaign against the Arbenz regime, which was never fully carried out.

Several of the names are classified in the original chart, but the identities of most of these individuals are discernible by cross-checking with the major studies of PBSUCCESS.

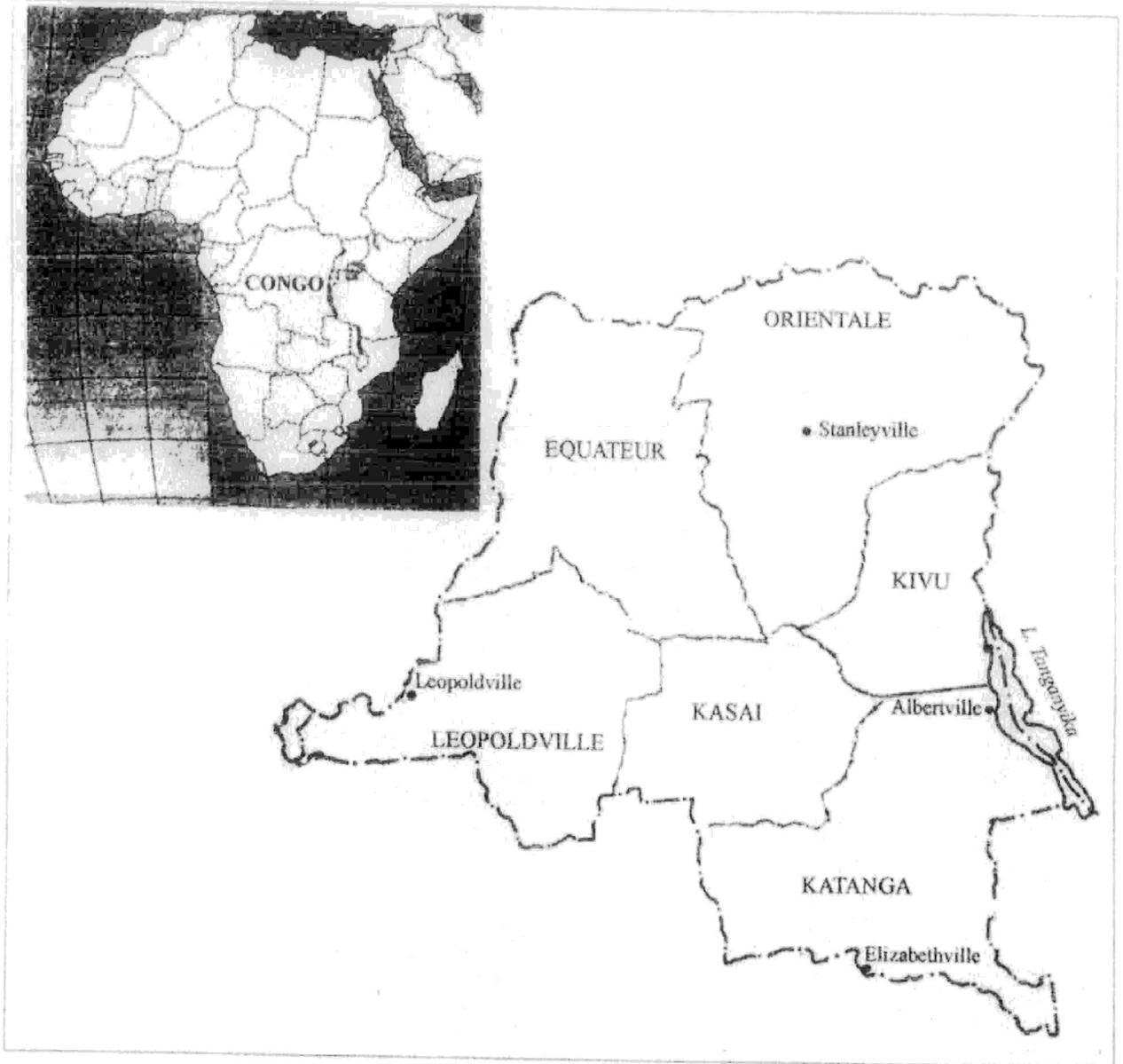


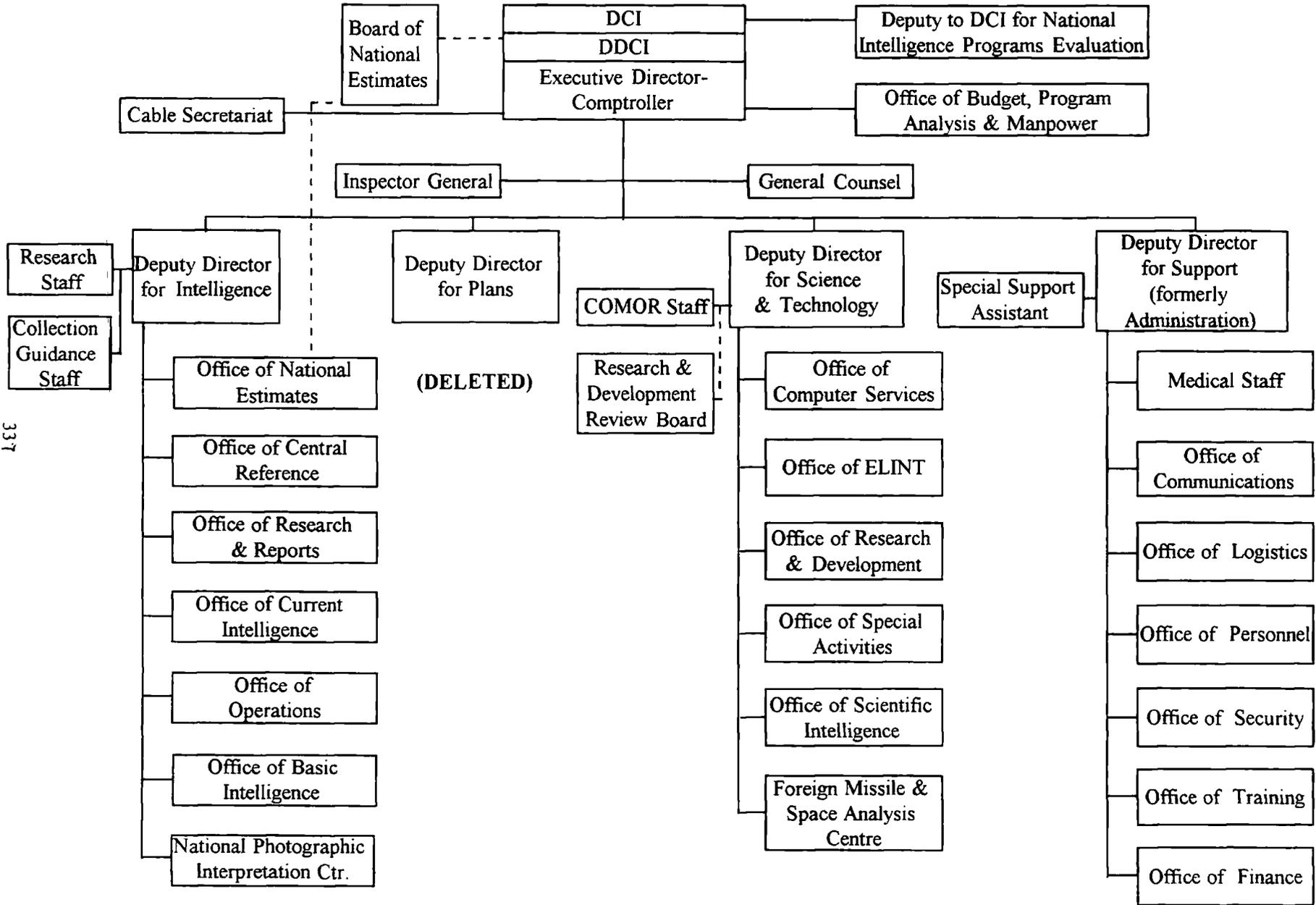
**Appendix 11: Operation HIKE**

Adapted from map in Kahin & Kahin, *Subversion as Foreign Policy*, p.171



Appendix 12: Congo

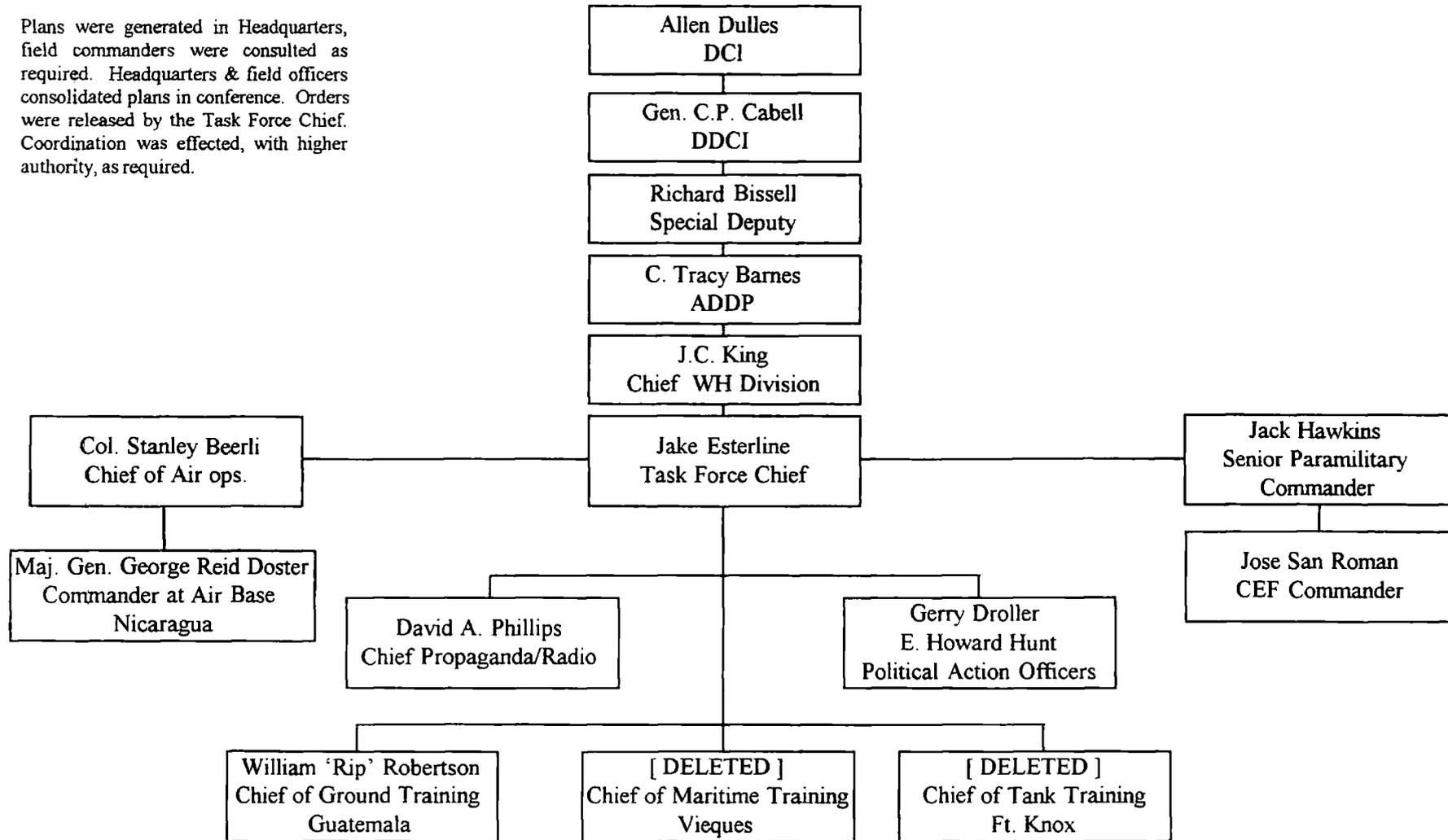




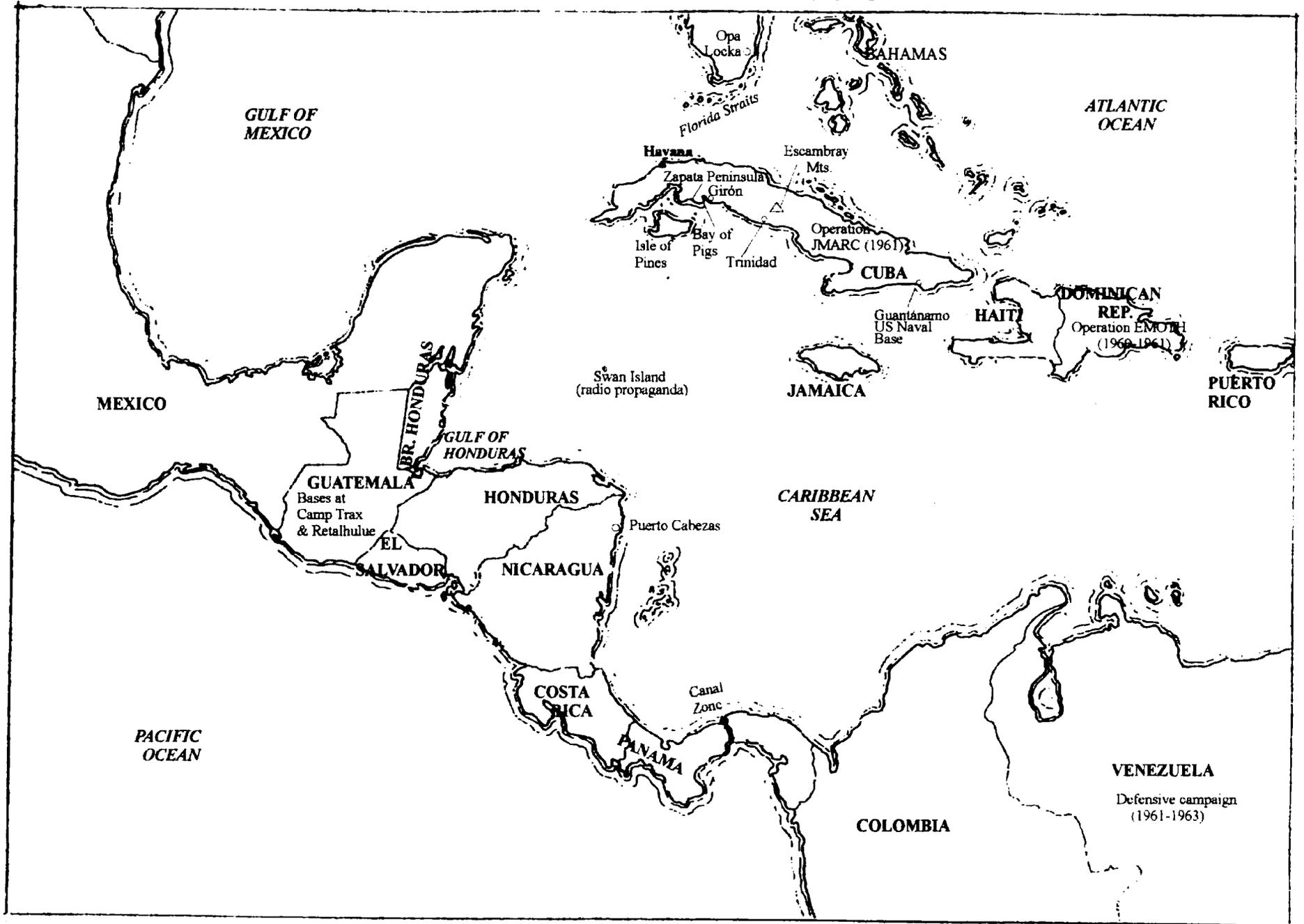
**Appendix 14: JMARC Organisation Chart**  
**Adaption from the command structures included in the Paramilitary Study Group Report,**  
**Taylor Report, Annex 1 & Annex 5, box 61A, NSF, JFKL.**

Plans were generated in Headquarters, field commanders were consulted as required. Headquarters & field officers consolidated plans in conference. Orders were released by the Task Force Chief. Coordination was effected, with higher authority, as required.

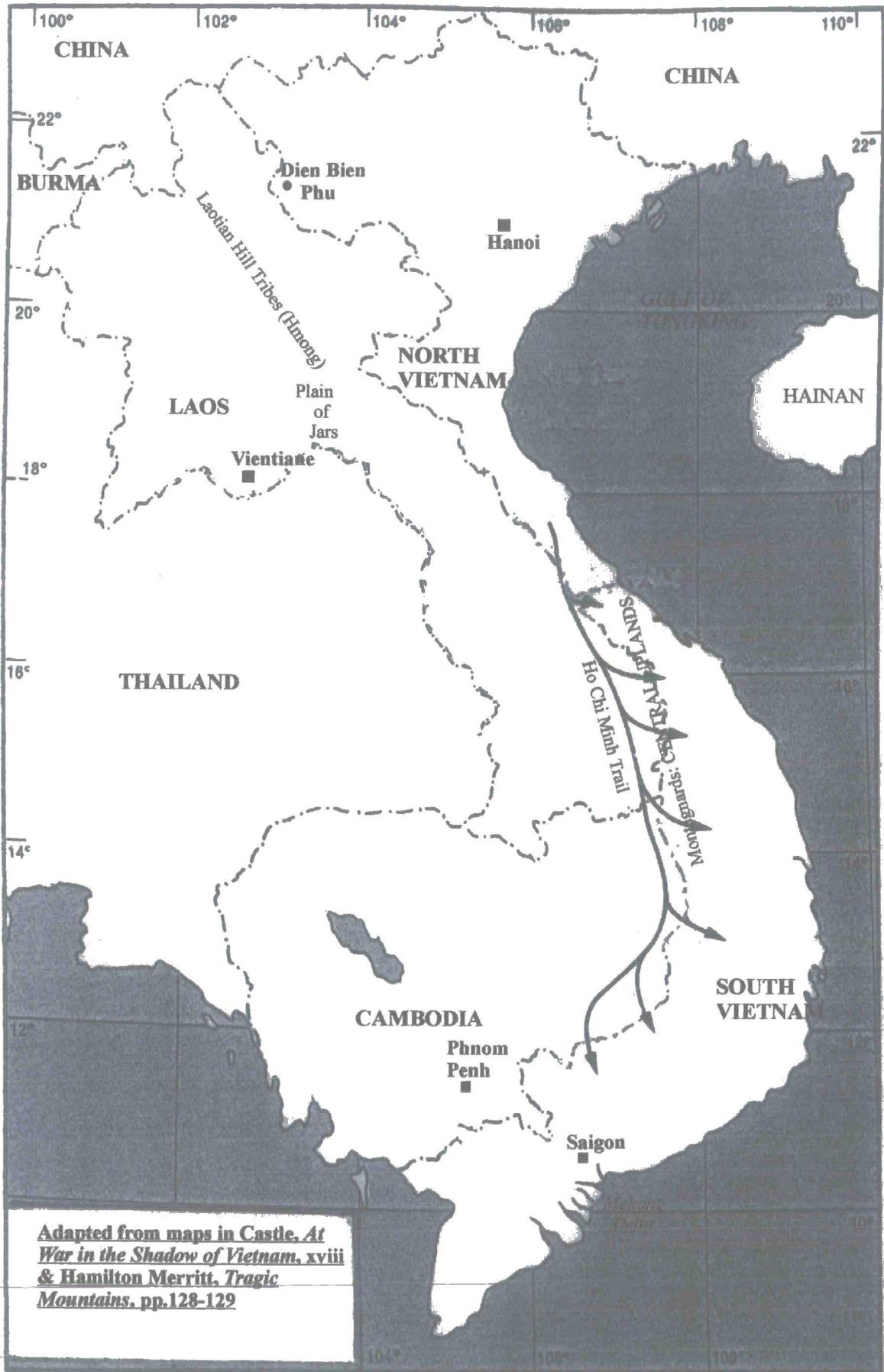
338



Several of the names are classified in the original chart, but the identities of most of these individuals are discernible by cross-checking with the major studies of JMARC.



**Appendix 16: Indochina**



**Adapted from maps in Castle, *At War in the Shadow of Vietnam*, xviii & Hamilton Merritt, *Tragic Mountains*, pp.128-129**

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