

Article 21 of the OAS Charter, akin to Article 51 of the U.N. Charter, provides for the use of force for purposes of self-defense, but this could hardly be construed as a justification for the covert activities undertaken in Chile, since the intelligence estimates of the U.S. Government concluded that the Allende government posed no threat to vital U.S. interests or U.S. national security.

On October 31, 1969, President Nixon delivered an address on his Action for Progress for the Americas program. His first principle was as follows:

A firm commitment to the inter-American system, to the compacts which bind us in that system, as exemplified by the Organization of American States and by the principles so nobly set forth in its charter.

In his State of the World Address delivered on February 25, 1971, to the Congress, President Nixon said:

The United States has a strong political interest in maintaining cooperation with our neighbors regardless of their domestic viewpoints. We have a clear preference for free and democratic processes. We hope that governments will evolve toward constitutional procedures. But it is not our mission to try to provide—except by example—the answers to such questions for other nations. We deal with governments as they are. Our relations depend not on their internal structure or social systems, but on actions which affect us and the inter-American system. The new government in Chile is a clear case in point. The 1970 election of a Socialist President may have profound implications not only for its people but for the inter-American system as well. The government's legitimacy is not in question, but its ideology is likely to influence its actions. Chile's decision to establish ties with Communist Cuba, contrary to the collective policy of OAS, was a challenge to the inter-American system. We and our partners in the OAS will therefore observe closely the evolution of Chilean foreign policy.

Our bilateral policy is to keep open lines of communication. We will not be the ones to upset traditional relations. We assume that international rights and obligations will be observed. We also recognize that the Chilean Government's actions will be determined primarily by its own purposes, and that these will not be deflected simply by the tone of our policy. In short, we are prepared to have the kind of relationship with the Chilean Government that it is prepared to have with us.

At the very time this speech was delivered, the United States was already embarked on a Presidentially approved covert action program designed to control the outcome of the elections in Chile.

At this point, Mr. Chairman, I want to turn to Mr. Bader who will describe the pattern of covert action as it was used in Chile.

Senator TOWER. Mr. Bader is recognized.

Mr. BADER. Thank you, Mr. Chairman.

**STATEMENT OF WILLIAM B. BADER, PROFESSIONAL STAFF
MEMBER OF THE SENATE SELECT COMMITTEE**

Mr. BADER. The staff study on Chile focuses on what is labeled "covert action" by the Central Intelligence Agency. Covert action, as defined by the Central Intelligence Agency, describes a policy tool for all seasons and purposes. To the Agency the term "covert action" means, as Mr. Miller has already stated, "any clandestine operation or activity designed to influence foreign governments, organizations, persons, or events in support of the U.S. foreign policy objectives."

The definition of "covert action" was not always so embracing, and indeed the term itself was only coined in recent years. This question of defining "covert action" is important as the committee addresses the central questions: The central questions are, as an instrument of foreign policy, what can covert action do and under what circumstances? What are costs? We need to answer these questions in order to address the more fundamental issue of whether or not covert action should be permitted. If so, under what rules and constraints?

Therefore, our interest in Chile, and in this report, is not only what happened there but what the Chilean experience tells us about covert action as a foreign policy operation of a democratic society.

It is important to note that the objectives, the techniques, and the political control of covert operations have changed rather fundamentally over the years.

It was only in late 1947—2½ years after the end of World War II—that the United States formally decided that clandestine intelligence collection activities had to be supplemented by what was described at the time as covert psychological operations. These were described as propaganda and manipulation of the press, and the like.

By the late spring of 1948, the Soviet threat was held to be of such seriousness that "covert operations" were expanded to include countering Soviet propaganda and Soviet support of labor unions, student groups, support political parties, economic warfare, sabotage, assistance of refugee liberation groups, and support of anti-Communists groups in occupied or even in threatened areas.

Gradually, covert action was extended to include countries all around the world. Burgeoning from the experience of countering the Soviet Union and its satellites in this early period of 1947 and 1948, the CIA had major covert operations underway in roughly 50 countries by 1953; this represented a commitment of over 50 percent of the Agency's budget during the fifties and sixties.

In broad terms—and in the language of the trade—covert activities since the so-called coming of age in 1948 have been grouped around three major categories: propaganda, political action, and paramilitary activities. In the experience with Chile, the largest covert activities were those in the general categories of propaganda and political action such as has been described in this chart [exhibit 1¹], disseminating propaganda, supporting media, influencing institutions, influencing elections, supporting political parties, supporting private sector organizations, and the like.

Now as far as paramilitary activities are concerned, the last category is covert and military operations. They were not employed to a significant degree in Chile with the possible exception of the Track II operation and the Schneider kidnaping.

As far as propaganda is concerned, as revealed in the staff paper, the largest covert action activity in Chile in the decade 1963–73 was propaganda. The CIA station in Santiago placed materials in the Chilean media, maintained a number of assets or agents on major Chilean newspapers, radio, and television stations, and manufactured

¹ See p. 95.

“black propaganda”—that is, material falsely purporting to be the product of a particular group.

Let me give you an illustrative range of the kinds of propaganda projects that were undertaken in Chile during the years under discussion, 1963 to 1973: subsidization of two news services to influence Chilean public opinion; operation of press placement service; support of the establishment of a commercial television service in Chile; support of anti-Communist propaganda activity through wall posters, leaflets, and other street actions; use of a CIA-controlled news agency to counter Communist influence in Chile and Latin America; placement of anti-Soviet propaganda on eight radio news stations and five provincial newspapers.

By far the largest—and probably the most significant in this area of propaganda, was the money provided to *El Mercurio*, the major Santiago daily during the Allende regime.

The second category is that of political action. In the intelligence trade, covert political action aims to influence political events in a foreign country without attribution to the United States. Political action can range from recruiting an agent from within a foreign government for the purpose of influencing that government, to subsidizing political parties friendly to U.S. interests. Starkly put, political action is the covert manipulation of political power abroad.

In Chile the CIA undertook a wide range of projects aimed at influencing political events in Chile, and here are some of them: wresting control of Chilean university student organizations from the Communists; supporting a women’s group active in Chilean political and intellectual life and hostile to the Allende government; combating the principal Communist-dominated labor union in Chile.

The most impressive political action in Chile was the massive efforts made over the decade from 1964 to 1974 to influence the elections. The Central Intelligence Agency in 1964, for example, spent over \$3 million in election programs, financing in this process over half of the Christian Democratic campaign.

The figures give you some idea of the measure and extent of the support that I have been talking about: propaganda, \$8 million; producing and disseminating propaganda and supporting mass media, roughly \$4 million [exhibit 1¹].

These are the various techniques of covert actions and the expenditures from 1963 to 1973 to the nearest \$100,000 that we have been able to determine in the staff’s work on the techniques of covert action in Chile.

Finally, Mr. Chairman, in all the cases I have described, the major objective of U.S. covert policy in Chile was to influence, control, contain, and manipulate political power in the country.

Mr. Chairman, against this background on the meaning and varieties, and in certain respects, the funding of covert action in Chile, I want to turn to Mr. Inderfurth, who will discuss the major covert activities taken in Chile in specific detail.

Thank you, Mr. Chairman.

¹ See p. 95.

The CHAIRMAN. Thank you, Mr. Bader. What is the population of Chile? How many voters?

Hold that chart for a moment.

Mr. BADER. The total population is about 10 million; there are roughly 3 million voters.

The CHAIRMAN. Roughly 3 million. And the total we spent in attempting to influence the political process in Chile came to what?

Mr. BADER. In the 1964 election it came to roughly \$3 million, \$2.6 million, or \$2.7 million.

The CHAIRMAN. The total on this chart comes to what?

Mr. BADER. \$14 million, Senator.

The CHAIRMAN. \$14 million. Have you worked that out on a per capita basis?

Mr. BADER. I believe Mr. Inderfurth has.

The CHAIRMAN. The \$3 million represents just a little less than \$1 per voter in direct contributions to the political party.

Senator TOWER. Mr. Chairman, to get it into perspective, I might say that I spent \$2.7 million to run for election in 1972 in a State with a population of 11 million.

The CHAIRMAN. If we look at that in terms of all population, national population of 200 million, that would be comparable to almost \$60 million of foreign funds. If a foreign government were given to interfere directly with the American political process in comparable terms, that \$3 million would equate roughly with almost \$60 million of foreign government money pumped into our process, wouldn't it?

Mr. BADER. That's right. That's correct, sir.

The CHAIRMAN. Based on comparable per capita population.

Mr. BADER. In 1964, for example, it would be comparable in the American political scene of \$60 million of outside foreign funds coming to the American election, the Presidential election of 1964.

Mr. Inderfurth. As a comparison in the 1964 election, President Johnson and Senator Goldwater combined spent \$25 million. So there would have been a \$35 million difference there.

The CHAIRMAN. Would you please restate that?

Mr. Inderfurth. The \$3 million spent by the CIA in Chile in 1964 represents about 30 cents for every man, woman, and child in Chile. Now if a foreign government had spent an equivalent amount per capita in our 1964 election, that government would have spent about \$60 million, as Mr. Bader indicated. President Johnson and Senator Goldwater spent \$25 million combined, so this would have been about \$35 million more.

The CHAIRMAN. More than twice as much as the two American Presidential candidates combined actually spent.

Mr. Inderfurth. That's right.

The CHAIRMAN. All right. Mr. Inderfurth, would you continue?

Mr. Inderfurth. Yes.

**STATEMENT OF KARL F. Inderfurth, PROFESSIONAL STAFF
MEMBER OF THE SENATE SELECT COMMITTEE**

Mr. Inderfurth. This portion of the staff presentation will outline the major programs of covert action undertaken by the United States