

A KAFKA STORY, BUT IT'S TRUE By JOHN MARKS

John Marks, the 32-year-old co-author (with Victor Marchetti) of *"The CIA and the Cult of Intelligence,"* is a graduate of Andover, Cornell and Vietnam, where he spent 18 months as a civilian advisor to the Vietnamese government. Back home in 1968, Marks was assigned to the State Department's Bureau of Intelligence and Research. In 1969, he became assistant to State's intelligence director and watched CIA operations from the point of view of a cooperating service. He was serving as an aide to Senator Clifford Case, a liberal Republican from New Jersey, when Marchetti asked him to collaborate on the book. Pursuing his fascination with the CIA, Marks, who works at the Center for National Security Studies in Washington, has recently been exploring the clandestine labyrinths of CIA economics. Outside the CIA, he is thought to be the world's leading expert on CIA cover organizations and secret corporations, which he discusses here.

It's like a Kafka story, but it really happened. Back in the Sixties, the then director of the CIA, Richard Helms, asked one of his staff officers what he thought was a simple question: How many airplanes does the CIA own? The officer went off to find the answer. Three months later, he came back with a chart that covered a wall and was dotted with hundreds of colored pins. For about an hour, while Helms sat there flabbergasted, the officer lectured him on the dozens of airlines and the hundreds of planes the agency owned and explained how the airlines leased planes to one another, changed engine numbers and cannibalized planes for parts to such an extent that after three months of research, he still didn't know how many planes the CIA owned.

For me, there are two points to this story. One of them is that the CIA has gone into private business in a big way. The other is that the situation has gotten out of control. From what I've been able to find out, the CIA now owns more than 200 clandestine corporations inside the United States and around the world; there may be more.

Some of these CIA-run corporations—proprietarys, as the agency calls them—were set up to provide cover for those CIA operatives who don't work in U.S. embassies abroad, which conceal about three fourths of the CIA's overseas staff. Most of them, though, were organized to provide not only cover but also some special service. For instance, I ran across an outfit called Psychological Assessment Associates. The CIA uses a lot of psychological estimates in testing its own

employees and in trying to make judgments about foreign leaders.

Another CIA firm, Anderson Security Consultants of Springfield, Virginia, had, before it went out of business in 1973, only one acknowledged function that I've heard of. It supposedly shredded documents for companies with Government contracts. But Anderson Security at one time really served as a funding conduit for the CIA's operations against Castro.

Yet another CIA company, International Police Services, Inc., was closed down only last year. It was ostensibly a private academy for foreign police officers, most of them sent there for advanced training under the auspices

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of the Agency for International Development's public-safety program. Actually, they were sent by the CIA, which ran the course in order to recruit and train agents in foreign police forces.

The CIA owns propaganda proprietary, too. For years, Radio Free Europe was a CIA asset; the agency also used R.F.E.'s fund-raising campaigns to propagandize Americans at home. The CIA has also secretly set up a number of press services that seem to be doing the same things A.P., U.P.I. and Reuters are doing, supplying news and features to newspapers, radio and television stations overseas. The difference is that the copy has a CIA slant.

The agency has also had a special relationship with several publishing houses. I don't know if any of them are proprietary, but in 1967, Frederick A. Praeger, Inc. admitted having published 15 or 16 books at CIA request.

The CIA got into *really* Big Business during the wars in Korea and Vietnam. Before the Korean war was over, it was operating a number of shipping companies and dozens of airlines all over the world. In the U.S. itself—I have this from a former vice-president of one of these outfits—the CIA had secretly set up 17 fully operative airlines! One of their main jobs was to ferry GIs around the country—using planes lent to them by the Air Force. The Penta-

gon was paying these airlines a nice fat fee for every body they moved, and one might ask why millions of public dollars were being paid to the CIA to do what the Air Force could have done itself. It looks to me as if one part of the Government was secretly raising money from another.

Anyway, as the war in Vietnam developed, the CIA's airline operations became really immense. Air America flies one of the world's largest fleets of cargo and passenger aircraft. There have been many other smaller operations: Civil Air Transport, Intermountain Aviation, Air Asia, which has just been sold to a Dallas company called E-Systems Inc., operates on Taiwan the largest aircraft-repair facility in the western Pacific. How much of the profits from these firms goes to the CIA? We don't know. We do know that the CIA director has at his disposal at any given moment "unvouchered funds," which he can spend without accounting to anybody, of from \$50,000,000 to \$100,000,000.

We also know that the CIA is not always scrupulous, to put it mildly, in its management of funds. I can give an example. The CIA has a participatory pension plan for high-level officials only. Naturally, the officers who administer the fund want it to make money, and I'm told that they have used classified information to do so. For instance, if our satellites relay intelligence that the Soviet wheat crop is poor, CIA analysts may decide there's going to be a world-wide wheat shortage and use this secret information to play the market.

One way or another, at any rate, the CIA is making a lot of extra money the citizens aren't supplying, and that money gives the agency an undesirable, possibly dangerous independence of Congressional control. Some people have conjectured that, even if the CIA were abolished today, these hidden funds might finance clandestine operations for decades. Such people think the CIA, like a super-Mafia, has to be lived with because it can no longer be eliminated.

I don't agree with that point of view, nor with that of those who believe we don't need some kind of intelligence agency. I say, let's improve our capacity to gather information through technical means and let's encourage the analytical people to give the President the best possible estimate of what's happening in the world. But let us know what our intelligence-gathering apparatus is up to and where its money is coming from. A great nation does not have to stoop to playing dirty tricks.