

The Weather

Today — Snow by tonight, high in 40s, low in 30s. Chance of precipitation 20 per cent today, 70 per cent tonight. Sunday—Snow ending, high in 30s. Yesterday's temperature range, 39-17. Details are on Page D2.

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SATURDAY, FEB

White House Reviewing

By Bob Woodward
Washington Post Staff Writer

The White House announced yesterday it is conducting an "intensive and comprehensive" review of foreign intelligence operations as new reports circulated that the Central Intelligence Agency had secret financial relationships with at least half a dozen present and former foreign leaders.

The announcement of the presidential review was made by press secretary Jody Powell during a briefing in which he declined to comment on a report in *The Washington Post* yes-

terday that the CIA has for 20 years been making secret cash payments to King Hussein of Jordan.

Powell's statement was the first official indication of President Carter's concern over CIA activities and his apparent intention to bring them under control.

In a statement read by Powell, the administration pointedly praised King Hussein as "an outstanding national leader" who had "played a constructive role in reducing tensions in the Middle East."

The payments to Hussein are not

the only example of the CIA paying money to world leaders, according to reliable sources.

Cypriot President Archbishop Makarios received amounts of approximately \$1 million annually in the late 1960s, the sources said. It is not known if these CIA payments have continued.

The Dalai Lama, the exiled god-king of Tibet, was on the CIA payroll for some time after he fled to India in 1959 to escape the Communist Chinese takeover of Tibet.

His holiness, the 14th Dalai Lama, is

PLO: 'Happy' About Hussein's Troubles

By Stuart Auerbach
Washington Post Foreign Service

BEIRUT, Feb. 18—Leaders of the Palestine Liberation Organization said here today that they hoped the revelations that King Hussein has been on the Central Intelligence Agency payroll would derail current Middle East peace efforts.

A canvass of five mainstream PLO leaders in Beirut, indicated that it is the consensus of the Palestine movement's umbrella organization that they can use the revelations to resist

pressure to go to the peace table as subjects of Jordan.

A group of top Lebanese editors known for their independence concurred privately that the information had placed new political weapons in the Palestinians' hands.

The Palestinians have been grudgingly allowing themselves to be pressured by Syria, Egypt and Saudi Arabia into a reconciliation with Jordan's Hussein, long considered the arch-enemy of the Palestinians in the Arab world.

The purpose of the forced reconciliation has been to get the Palestin-

ians to the peace tables with Israel by including them in the Jordanian delegation to the on-again, off-again Geneva peace conference. The Israelis have refused to talk to the Palestinians under any but Jordanian auspices.

"I'm very happy about this," said one of the PLO leaders. It's the best thing that's happened in weeks. It will help us. Every little bit helps."

Only yesterday, Egyptian President Anwar Sadat had urged in talks with U.S. Secretary of State Cyrus Vance that the PLO accept "official and

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ington Post

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Intelligence Operations

the spiritual leader of an estimated 6 million Tibetans. It is also not known if these payments continue.

The sources said that there are six to eight other leaders of countries who have at one time or another received covert payments from the CIA.

It was learned, meanwhile, that the court-censored manuscript of a book by two former government intelligence officers named Hussein along with Jomo Kenyatta of Kenya, Joseph Mobutu of Zaire, Forbes Burnham of Guyana, Nguyen Van Thieu of South Vietnam and Willy Brandt of West

Germany as national leaders who had secret financial relationships with the CIA.

The book, "The CIA and the Cult of Intelligence," by Victor Marchetti, a former CIA official, and John Marks, a former State Department officer, was published with the names of the recipients deleted, sources familiar with the original manuscript said. The deletions were ordered in U.S. District Court as a result of the CIA civil suit against disclosure.

These relationships, however, never reached the financial scale or dura-

tion of the secret CIA support extended to Hussein, according to qualified sources.

Such payments are not the only focus of the review announced by Powell yesterday. Sources said that the review is a sweeping look at the current operations of all intelligence agencies.

"It's not just to see what is proper," one source said. "It is a question of whether the operations are worth the money . . . it's a budget review also."

Powell said that the review of intelligence activities would also involve

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Jordan: Pay Story 'Fabrication, Distortion'

By Don Oberdorfer
Washington Post Staff Writer

AMMAN, Feb. 18—The Jordanian government today denounced as "a combination of fabrication and distortion" a Washington Post report that King Hussein has received secret CIA payments for 20 years. The government charged that the article was timed to damage its relations with the United States and torpedo the peace-making efforts of Secretary of State Cyrus R. Vance, who arrived in the Jordanian capital today.

Except for the brief Jordanian

statement, later embellished by a broadcast on the state radio, Jordanian and U.S. officials maintained a discreet diplomatic silence.

In an interview with reporters aboard his plane, Vance said in a level but determined voice, "I have no comment on the story." After landing here he declined to take any questions at an airport ceremony. Sitting under a large portrait of a smiling Hussein in the airport lounge, Vance, who later met with the monarch, praised the king for his role in resolving "the bitterness and conflict that exists in the Middle East."

U.S. officials traveling with Vance made no secret of their dismay that the story was published on the eve of Vance's visit. They said Vance had known of the Post inquiries about CIA payments for three or four days but only learned this morning from Washington that it was being published.

There was no doubt that the disclosure complicated Vance's mission here. Unofficial Palestinian sources said it might make more difficult the rapprochement between Hussein and

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declared" links with Jordan. Vance is touring the region in search of peace formulas.

Close observers of the Arab scene said that the revelations about Hussein could damage and embarrass Syrian President Hafez Assad, who has been drawing very close to the Jordanian monarch.

It is seen as inevitable that Arab leaders who attempt to cooperate with the United States will be accused of being tools of the CIA.

Some observers said it will be harder for Arab leaders to accept President Carter's invitation for them to visit Washington this spring to confer on a peace settlement, which U.S. officials had felt was closer now than any time in the past 30 years.

In a part of the world where most people believe in plots and conspiracies, the revelations that one Arab leader has been paid by the CIA means that no Arab leader can escape that charge.

"You have to think like an Arab to understand what it really means," said a widely respected Arab commentator who asked that his name not be used because of fears that the authorities might crack down on him. "All Arab leaders are now suspect, especially by their armies, if they call for peace.

While the PLO declined any official comment on the story, the five leaders of the organization, including two members of its ruling executive committee said in interviews here today that the story confirmed what they have always thought about the Jordanian monarch.

They have considered Hussein, 41, and approaching his 25th year on the throne, a traitor to the Arab cause since 1970 when his armies attacked Palestinian guerrilla bases in Jordan and threw the Palestinian fighters out of the country.

"It's one more nasty black mark on his nasty black neck," said a PLO official.

More important, however, PLO officials said the information is another weapon to use against the Arab states who they feel are willing to trade away the Palestinians' rights to a state of their own in exchange for peace with Israel.

Faced with the might of Syrian tanks ringing their camps here and other major Arab powers arrayed against them, the PLO has been slowly giving in to demands that they forget their dream of making a secular state out of what now is Israel.

The Palestinians have agreed to

accept a Palestinian mini-state on the West Bank of the Jordan River and in the Gaza Strip and have allowed the Arab powers to enlarge and stack the PLO National Council—its Parliament-in-Exile—with moderates. Next month the Council is expected to revise the Palestine National Covenant so that it no longer calls for an end to the state of Israel.

In the process, the Palestinians have allowed Syrian forces—the bulk of the Arab peacekeepers here—to attack with tanks and mortar the strongholds of the Palestinian "Rejection Front" organization composed of groups opposed to any settlement that allows for the continued existence of Israel.

While the PLO will agree to have talks with Jordanian officials, it does not promise that these talks will lead anywhere. The PLO-Jordanian talks—due to start next week when a delegation headed by Palestine Council President Khalid Al Fahoum goes to Amman—may end with a meeting between Hussein and PLO chief Yasser Arafat. This would be their first meeting since 1970.

"There will be talks," promised the PLO leader "but whether they result in anything I don't know."

Syria and Jordan already cooperate in many areas and are talking about a more formal confederation. But, one observer here said, the Syrian army can object since the Hussein revelations that all Syria's military secrets could be turned over by Jordan to the CIA, and then to Israel.

"Assad is in a very delicate situation when he has to explain this to his army—the base of his power in Syria," said one observer. "It's more embarrassing to him than to King Hussein" said another.

VANCE, From A1

the Palestine Liberation Organization, in the works for several months, that was the basis of the plan for the Jordanian-Palestinian confederation proposed Cairo last night by Egyptian President Anwar Sadat.

The Jordanian government statement did not mention the details of the report about Hussein and did not say that the king is personally involved, as is charged. Director General Yusef Abu Leil of the official Jordan News Agency, who distributed the statement to the press, refused comment when asked specifically whether Hussein had accepted money from the CIA. A Radio Jordan broadcast tonight summarized the government statement without mentioning Hussein by name, giving listeners no clear idea of what the original story said. The newscast called the Post story "lies" and charged that "the writer of the article is known for his Zionist attitude," but it did not give the identity of the reporter, Bob Woodward.

Neither statement was made in the government declaration which said: "His Majesty King Hussein has led Jordan into a close cooperation with the United States on the basis of mutual respect and friendship. Jordan has pursued its relations with the United States in its own national interest, and in a spirit of loyalty to Arab aspirations, rights and interests."

It added that Jordan has welcomed U.S. assistance in this spirit and said that "the Jordanian leadership has not engaged in improper practices or pursued personal interests." The Jordanian press was reportedly planning to simply carry the text of the government statement without amplification or comment in Saturday morning editions. A Jordanian jour-

nalist said the story is "too touchy" to do anything more or less.

Reuter, in a translation of an Arabic language dispatch of the Jordan News Agency, quoted an official Jordanian spokesman as saying that the newspaper and the writer of the article were "well known for their connection with the Zionists in the United States." The newspaper had in the past "published fabricated stories aimed at dividing the Arab ranks or harming the mutual confidence which honorable Arab elements in the United States are trying to establish between the Arab homeland and America," the spokesman added, according to Reuter. These comments were not made available to reporters traveling with Vance.

In a press conference before landing here, Vance called Sadat's proposal for a Jordanian-Palestinian confederation "a constructive suggestion" that brought some narrowing of the gap between Arab and Israeli positions on the question of a future Palestinian state. Vance said it appeared to him that the Sadat plan had the support of "some of the PLO."

He also said he has the feeling that Sadat is trying to convince the PLO to change its governing covenant, which calls for a war of liberation against Israel, but would not assess his chances for success.

Sadat's foreign minister Ismail Fahmi met PLO chairman Yasser Arafat in Cairo just minutes before Vance's arrival there yesterday.

Vance said "there are big differences" between the Egyptian and Israeli positions as he found them on the first stops of his mission. He said he was encouraged, however, that both sides said they are prepared to go to a Geneva conference without preconditions if the procedural questions can be resolved. Vance said he

still expects the Geneva peace conference to meet in the second half of this year.

In a four-hour stop in Beirut between Cairo and Amman, Vance discussed the Middle East peace problem with Lebanese President Elias Sarkis and announced that the United States will supply \$90 million in new aid to the devastated country over the next few months.

Vance was guarded during his stop-over by Arab peacekeeping forces that have enforced a truce in Lebanon, with Syrian troops and their Soviet tanks and small arms, much in evidence. A Soviet delegation headed by Mikhail Serenko, Middle East chief of the Foreign Ministry in Moscow, as well as French Foreign Minister Louis de Quirincourt were also in Beirut today. Both men are on tours of the Arab states looking into the prospects for a Middle East settlement.

Israelis Are 'Disappointed' At U.S. Bomb Sale Decision

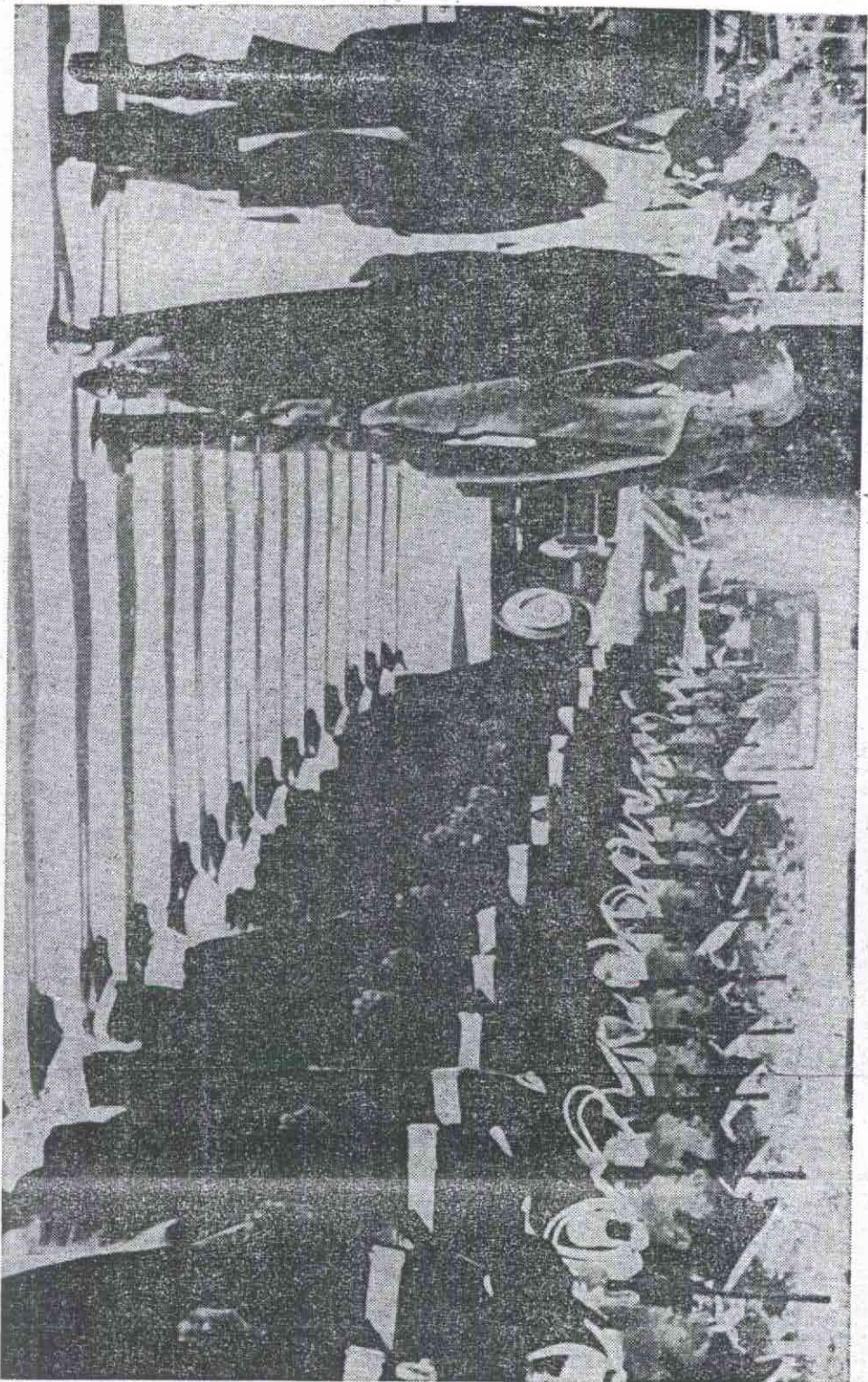
From News Dispatches
TEL AVIV, Feb. 18—Israeli Defense

Minister Shimon Peres today described as disappointing the U.S. refusal to sell Israel controversial conventional bombs but apparently left open the possibility that Israel might now manufacture such weaponry itself.

President Carter yesterday cancelled the sale of the bombs, officially called CBU-72s.

Prime Minister Yitzhak Rabin told a radio interviewer that during his visit to Washington next month he will try to reverse Carter's decision.

In Paris, French officials "clarified judicial aspects" of the Abu Daoud affair to an Israeli delegation in talks here on terms of application of the 1938 Franco-Israeli extradition treaty. Israeli sources in Paris said, Israel asked for the talks after a French court freed Abu Daoud, allegedly a key figure in the 1972 Munich Olympics massacre of Israeli athletes. The court rejected extradition demands from Israel.



Secretary of State Vance, second from left, and Lebanese Foreign Minister Fuad Butros review honor guard at Presidential Palace on Vance's arrival in Beirut.

Associated Press

CIA Is Tightlipped and Con

By George Landner Jr.
Washington Post Staff Writer

The Pike committee bumped into an embarrassing sliver of the iceberg last year when it wrote in its final report on the Central Intelligence Agency:

"Taxpayer monies were spent to provide heads of state with female companions . . ."

The anonymous allusion was to Jordan's King Hussein, who, The Washington Post disclosed yesterday has been getting secret annual payments from the CIA totaling millions of dollars over the past 20 years.

The now defunct House intelligence committee headed by Rep. Otis G. Pike (D-N.Y.) never realized that. The interim Senate intelligence committee under Frank Church (D-Idaho) didn't know it either. The permanent Senate Intelligence Committee headed by Daniel K. Inouye (D-Hawaii) will not, true to form, even say what it knew, but it clearly knew less than was printed.

When it comes to the nation's intelligence community, the quality of congressional oversight is still highly strained. In the case of the CIA, Congress still wants, deep down, not to know too much.

The cash payments to King Hussein, which began in 1957 under President Eisenhower and totaled some \$750,000 last year under President Ford, are simply the latest illustration of that

News Analysis

premeditated ignorance. No one on Capitol Hill seems to have asked just the right questions. And despite all the promised reforms of the last three years, the CIA always has been loath to volunteer answers.

The Pike committee came close—close enough, in the view of some of its investigators, that it should have been told. According to informed sources, the inquiry did turn up, for

example, the CIA-financed companionship between Hussein and a young Jewish woman that reportedly blossomed for a time into intercontinent of romance.

Aaron Donner, who was chief counsel for the House committee, won't talk about that, but he does feel that the committee went "into the question of payments and other favors and gifts to heads of state sufficiently that, while the question (of annual payments to Hussein) was not asked specifically, the failure to supply such information would be in the nature of withholding information."

The House investigation often encountered such frustrations, all the more so because Chairman Pike steadily refused to let the CIA whisper secrets for his ears only. Donner elaborated:

"When we stumbled on things—and 'stumbled' is literally the word—we would then open up areas, but the areas opened up by virtue of indirect

gress Is Reluctant to Pry

tion almost. We would come across certain operations, if you will, by virtue of an investigator seeing a list of merchandise purchased and wondering why they purchased so much in that time frame."

The payments to Hussein were not unique. "We were told in some instances (of regular payments to) other heads of state," Donner recalls. "Some had ceased and some were apparently ongoing. The exact mechanism can vary, but ultimately someone winds up with a bundle of cash."

So why wasn't the committee told of Hussein?

"I can't imagine," Donner replied, "except for the fact that in most of the other instances where we found out, we asked a specific question where they had to say yes or no. We did not draw up a list of heads of state all over the world and submit it to them. I guess we should have."

Despite the limited discoveries which it bowdlerized in its final re-

port, the House ordered even that suppressed—and then launched an extensively inconclusive investigation when it leaked out anyway. The episode left Pike, for one, more disappointed about the quality of congressional oversight than about the CIA's lack of candor.

"I read the [Hussein] story with interest but not astoundment," Pike said yesterday.

"If Congress had been made aware or if our committee had been made aware of this particular thing, then we would have had to share in the responsibility of deciding whether it was right or wrong. That kind of responsibility is not eagerly grasped by the Congress and that is why we don't have much oversight."

"I said all through our hearings I wasn't sure we had the stomach for real oversight, because real oversight involves sharing responsibility instead of just second-guessing when things go wrong."

No one at the Senate Intelligence Committee had anything to say about the Hussein disclosure.

"We looked into covert actions in six different countries, but Jordan wasn't one of them," one Senate source said laconically. "There wasn't the obligation or necessity [for the committee] to be informed worldwide."

Under legislation enacted in 1974, the CIA was required by statute to report its covert operations in a timely fashion to "the appropriate committees of the Congress."

It's subjective as hell, I know," said one source, but if they were doing little things, they weren't reported."

Pike observed, "According to your story, President Ford was advised [about the money for Hussein] and made a judgement that it was not wrong. That judgment would not be my judgment, but still that is the kind of responsibility we [in the Congress] tend to be happy to leave to others."

'Oversight'

EVEN AS the early editions of yesterday's Washington Post were appearing on the streets Thursday night telling about 20 years of secret CIA subsidies to King Hussein of Jordan, the former director of the CIA, George Bush, was appearing on WETA's "Agronsky at Large" program, telling about the current state of CIA "oversight":

Mr. Bush: . . . in the future as in the recent past, covert actions . . . are staffed out very differently. And there are presidential findings, and those findings are reported in timely fashion under the law to seven committees of the United States Congress. So we are protected in this country. . . .

Mr. Agronsky: I wonder how protected we are. . . .

Mr. Bush: Well, I know more about it than you do, and I'm telling you it works according to the law and according to the procedures set out by the President in the executive order. . . . I think the directives are such, and I think the executive order is such, and they I think the education of the culture is such that the rights of the American people are properly safeguarded against the kinds of (covert) abuses you're talking about.

So much for the way "oversight" supposedly had been reformed and made fool-proof under the Ford administration. The question remains: How much of this new approach to supervision of the CIA actually carried over in transition to President Carter? Mr. Bush had something to say about this as well:

I had five sessions with (Mr. Carter), three rather long, intensive briefings, in which we covered not only the trouble spots in the world . . . it also covered the most sensitive aspects of the business that the President must know about it, the sources and methods part of the business. . . .

From the foregoing it would seem safe to conclude that President Carter knew just about everything of significance that his predecessor knew about current CIA operations of all kinds, and that the congressional overseers of the CIA were equally well-informed. In particular, it would seem safe to conclude that Mr. Carter knew about the payments to King Hussein, which CIA officials are now explaining entirely in terms of exceedingly sensitive "sources and methods" of intelligence gathering. But if that is so, how could it be that:

(1) President Carter apparently professes not to have heard about the U.S. government's clandestine financial relations with King Hussein until this week, and, thus, could not have known that President Ford

had continued the subsidies in the face of a finding by his own Intelligence Oversight Board that the payments constituted an "impropriety"; (2) Secretary of State Cyrus Vance, right up to the moment of his arrival in Amman yesterday to visit the Jordanian monarch, was reportedly ignorant of an arrangement that one would have thought was a rather important item in U.S.-Jordanian relations; (3) the Senate Intelligence Committee, which was set up last year to provide a sounder system of oversight of CIA, "was not given the full story . . . of the secret payments to Hussein," according to Bob Woodward's report in yesterday's Post.

Those are the questions about the CIA's so-called payoffs to King Hussein that we find most interesting—and most disquieting. If you have to pick and choose among the CIA abuses and excesses over the past two decades or so, bribing foreign heads of state strikes us as measurably less offensive than blowing up their palaces or—if you will forgive an expression appropriate to the mentality of those who were thinking up these schemes—bumping them off. It is not that we would condone bribery; it is simply that in the year 1977 it is hard to understand the state of affairs in Jordan and the Mideast 20 years earlier—and when you do understand it, still harder to make categorical judgments about the nature of American aid to King Hussein. The United States was not then supporting the "lifestyle" of a "playboy prince." Hussein was not then a prince; by 1957, when the "payoffs" began, he had been king for four years and the issue was not so much his lifestyle as his life, and that of his kingdom whose "integrity and independence" was then held by John Foster Dulles to be "vital" to the national security of the United States. Whether, in 1977, this is an appropriate way to protect vital American interests is an important question. But it is not nearly as important, in our view, as the question of whether there now exists an "oversight" system that does, in fact, provide those "protections" to the American public that George Bush was talking about Thursday night.

"Oversight," our dictionary says, means "supervision, watchful care." But when it is used in quite another way, it can also mean something altogether different—a "failure to notice or consider, an omission or error due to carelessness." In the light of the revelations of the CIA/Hussein connection, it becomes necessary to ask all over again just what meaning of the word administration officials and members of Congress have in mind when they talk so assuredly about "oversight" with respect to the CIA.