By SEYMOUR M. HERSH
Special to The New York Times

WASHINGTON, Sept. 19 — singer said, were not aimed at subverting that Government.

The Central Intelligence Agency secretly financed striking labor unions and trade groups in Chile for more than 18 months before President Salvador Allende Gossens was overthrown, intelligence sources revealed today.

They said that the majority of more than $7-million authorized for clandestine C.I.A. activities in Chile was used in 1972 and 1973 to provide strike benefits and other means of support for anti-Allende strikers and workers.

William E. Colby, Director of Central Intelligence, had no comment when told of The Times's information.

In testimony today before the Senate Foreign Relations Committee, Secretary of State Kissinger asserted that the intelligence agency's involvement in Chile had been authorized solely to keep alive political parties and news media threatened by Mr. Allende's one-party minority Government. The clandestine activities, Mr. Kissinger said, were not aimed at subverting that Government.

The sources depicted the general involvement of the intelligence agency with the labor unions and trade groups as part of a broad effort to infiltrate all areas of Chile's governmental and political life. The sources said that by the end of the Allende period, the agency had agents and informers in every major party making up Mr. Allende's Popular Unity coalition.

One troubling failure during the latter part of Mr. Allende's power, the sources said, was the agency's inability to infiltrate the Movement of the Revolutionary Left, or the M.I.R., the major revolutionary group outside the Allende coalition.

At his news conference Monday night, President Ford de-
Striking drivers parked their buses and trucks on an open field north of Santiago during walkout last year.

declared his support for the C.I.A. involvement in Chile and said that it had been authorized because "there was an effort being made by the Allende Government to destroy opposition news media, both the writing press as well as the electronic press, and to destroy opposition political parties."

In fact, The Times's sources agreed, less than half the money made available for clandestine activities in Chile was provided for the direct support of the allegedly threatened politicians, newspapers and radio-television stations referred to by Mr. Ford.

Official Defends Activities

One official, with first-hand knowledge of the decision-making on Chile, strongly defended the intelligence agency's involvement with trade unions and organized strikes.

"Of course, the agency tries to support the people who believe in its aim," he said. "In the taxicab driver strike, our goal is to make sure that he [the driver on strike] is not going to fold. The strike money was used to supply subsistence for people who believed in what you do."

"You've got to understand what was going on," the official added.

"The intelligence reports coming to us were frightening. Allende would send Popular Unity representatives into a business and claim that the workers were complaining about high profits."

"Then they'd take over the books and raise the taxes 50 per cent," he said. "It was a very brutal policy.

"So our idea was to prevent this from working and money was the way to go," the official said. "What we really were doing was supporting a civilian resistance movement against an arbitrary Government. Our target was the middle-class groups who were working against Allende."

"The whole point of this is that covert action provides a 1 per cent impetus for something that the people want anyway," he said. "In a civilized country, the C.I.A. can only make a marginal input. It takes a lot of money and—this is most important—you don't do it unless you're told to [by higher authority in Washington]."

Aid to Publicize Unrest

Some financial support for newspaper and radio stations was needed in Chile, the official explained, because "it wouldn't have been good if we had strikes if nobody knew about it."

Most of the funds invested for propaganda purposes, the
Eastern Europe, was assigned as Ambassador.

Mr. Davis, a specialist on Eastern Europe, was assigned as Ambassador.


told The Times that Mr. Colby, after Mr. Davis, a specialist on Eastern Europe, was assigned as Ambassador.

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