

Anti-Saddam Operation Cost CIA \$100 Million

9/15/96

By R. Jeffrey Smith and David B. Ottaway
Washington Post Staff Writers

Iraqis interested in toppling their country's president have for several years made their way to a compound of four houses on a hill in the city of Salahuddin, in Kurdish northern Iraq, where a small team of American CIA officers has been helping to implement a classified 1991 U.S. presidential order to oust Saddam Hussein.

Hands outstretched, dissident Kurds and other Iraqis there and elsewhere asked for and received tens of millions of dollars in CIA funds. They spent the money on light arms and ammunition, communications gear, pub-

lishing materials, broadcasting equipment, cars and trucks, food and medicine—all items they said they needed to foment a revolution or plot a palace coup.

Egged on by lawmakers and policy officials, the CIA's leadership found it hard to say no to anyone who asked for U.S. assistance to oppose Saddam. Dissidents set off some bombs, recruited defectors, fought a brief military battle with Iraqi troops in March 1995 and took hundreds of Iraqi army prisoners, not at the CIA's explicit direction, but with its strong encouragement and financial support.

After spending around \$100 million or an average of about \$20 million a year since 1991 on the anti-Saddam

campaign, however, the U.S. spy agency today has strikingly little to show for its effort, according to administration, congressional and Iraqi dissident sources.

A military sweep across northern Iraq in the past two weeks by Kurdish forces backed by Baghdad has left the major CIA effort in the Kurdish region in tatters. For years the two principal Kurdish separatist groups drew support from the CIA, but last month one of them abruptly switched sides, allied with Saddam and drove the other eastward. As a result, many members and sympathizers of a CIA-supported umbrella organization

See CIA, A29, Col. 1

CIA, From AI

in the area have been captured, killed or surrounded by military forces loyal to Saddam.

As part of other, mostly non-Kurdish, dissident groups and individuals financially sustained by the CIA has also failed to seriously harm Saddam, although their attempts to oust him have provoked the Iraqi leader to take increasingly draconian security precautions and conduct periodic purges of his military leadership. As the Defense Intelligence Agency said in a recently declassified report to Congress, "Saddam's departure from the Iraqi political scene does not appear imminent."

With the recent emergence of new details of the CIA's failed campaign to oust Saddam, questions are being asked on Capitol Hill and elsewhere about the wisdom of the covert effort, about the skill of those who managed the program, and about the reliability of the disses the CIA funded. Did the CIA really place its bets on the wrong individuals in Iraq? Was there ever any hope of success? Or did the agency do

the best it could in a country with a chronically divided opposition and an exceptionally brutal and efficient security force?

The picture that emerges from an investigation by The Washington Post is of a covert program born in the intense U.S. anger over Saddam's actions at the time of the Persian Gulf War. The effort was propelled by a widespread U.S. and allied conviction that Washington should try any means at its disposal to eliminate Saddam as a strategic threat, short of an all-out military effort like that used by the CIA to help expel the Soviet Union from Afghanistan.

As one intelligence official said, covert action was potentially the "10 percent" solution. It was meant to complement, but not replace, the public U.S. and allied campaign to contain Iraq through a military buildup in the region, air patrols over much of its territory, economic embargoes, United Nations weapons inspections, and diplomatic isolation, a campaign that the official said had amounted to around 90 per-

cent of the overall U.S. effort.

Although no U.S. order was given to any Iraqi dissident to kill Saddam, the CIA provided funds to groups that it knew were attempting to do so. When the covert program was expanded early this year, the agency was even authorized by the White House to support acts of sabotage inside Iraq that would create an image of a country descending into chaos; it is unclear, however, whether any of these CIA-supported acts were carried out.

From the outset, Washington had no idea who might replace Saddam if the program succeeded, and proceeded on faith that no one else could pose as great a threat to U.S. interests. However, U.S. officials fretted anxiously—along with Saudi Arabian, Jordanian, and Turkish officials who were kept informed about the effort—that if Saddam's replacement did not hold the country together, neighboring Iran would effectively grab a chunk of Iraqi territory and gain new regional influence.

The program's recent expansion

If the CIA Operation Had Succeeded,

CIA, From A29

that U.S. military forces in Turkey could assist their evacuation in a crisis.

In the four rented houses, the CIA installed elaborate communications gear and other equipment; it also posted a guard force of locally hired mercenaries outside. "They didn't wear badges, but everybody knew who they were," said an Iraqi dissident source who saw the buildings. Besides advising the National Congress on its purchases and checking up on its activities, the CIA team collected its own intelligence and interviewed defectors and dissidents who were able to make their way north from Baghdad.

One such defector was Wafiq Hamud Samarra, a former deputy director of

Iraqi military intelligence who had retired after the Gulf War in 1991 and defected in November 1994 by walking for 30 hours into Kurdish territory from Kirkuk.

Claiming to have supporters in strategic jobs inside the Iraqi military and in Baghdad, Samarra sought assistance from the National Congress and the CIA in carrying a plot to attack Iraqi military encampments on the edge of the Kurdish region and produce a "rolling coup" that would gain strength from subsequent military revolts in Mosul and other Iraqi cities.

After Samarra gained the backing of Chalabi and Talabani, but not Barzani, he and his supporters publicly announced in mid-March last year that they had started a coup. The National

Congress and Kurdish forces enjoyed considerable, if fleeting, success. Hundreds of Iraqi soldiers defected or were taken prisoner before the operation was halted by a series of skirmishes between Barzani and Talabani supporters. Samarra then bolted Iraq for Damascus, where he lives now.

Several Iraqi dissident sources claim that the effort might have succeeded had Washington not withheld a promised aerial bombardment of Iraqi military positions in the north. But a Clinton administration source familiar with the episode dismisses this claim of promised U.S. support, saying Samarra "appeared to be one in a long list of people saying, I'm the man to bring Saddam down for you. All I need is \$50 million,

Who Would Replace Saddam?

the 82nd Airborne, and maybe some B-52s from you."

Another U.S. official agreed, saying, "The clear message from Washington at the time was, it's not a good idea, it can't succeed." Several administration officials said the episode helped provoke more bad blood between Talabani and Barzani; it also contributed to a precipitous decline in the fortunes of the National Congress at CIA headquarters in 1995.

There, a new management team overseen by new CIA Director John M. Deutch concluded that the program should be made "tighter, smaller, and more focused," as one administration official put it, on "bringing down Saddam." The defection in August 1995 of a senior Iraqi arms industry official, Hussein

Kamal, helped convince the CIA that Saddam had grown weaker, and the conviction deepened when some riots were reported and Saddam began to shift the location of various Revolutionary Guard units.

The CIA responded by shifting a chunk of the program's resources from the National Congress to the old National Accord, which was then based in Jordan and was marketing itself to Washington as the prospective architect of a quick, clean decapitation of the Iraqi regime's top leadership. According to several officials, Deutch's decision was prompted in part by his desire to help revive both the Operations Directorate and the use of covert action in U.S. foreign policy.

After spending considerable effort to

build up a series of contacts inside Iraq, National Accord leader Alawi bragged to a reporter last summer that disaffected army officers who were allied with the group had stolen some field radios from a depot in Amarah, in southern Iraq, and were using them to communicate with dissident military officers.

Saddam had penetrated the group, evidently by watching or capturing one of its key couriers between Amman and Baghdad. Shortly after the Alawi interview he "began to roll up networks" associated with the group, particularly targeting Amarah, according to a U.S. official.

Correspondents John Lancaster in Cairo and Jonathan C. Randall in Salahuddin, Iraq, contributed to this report.

partly reflected Washington's growing impatience with Saddam, as well as a CIA estimate that he had suddenly become more vulnerable. As a result, Washington threw its weight behind a Jordanian-based group of former Iraqi military officers and government officials that claimed it could engineer an abrupt coup. But the group, called the Iraqi National Accord, was penetrated by Saddam's security agents, and last summer the Iraqi government arrested and likely executed as many as 100 people suspected of involvement with it.

In the end, the longer-running CIA effort in northern Iraq was undermined by persistent infighting among the Kurdish groups that controlled the area. It was the unforeseen alliance between Saddam and the Kurdistan Democratic Party (KDP), a group that had benefited at least indirectly from CIA funding, that enabled Iraqi forces to move northward and forced the CIA to flee the country on Aug. 28. Some U.S. intelligence officials now believe that Saddam may still be slain by someone able to penetrate his praetorian guard. But if so, they add, the plot likely unfolded without CIA help. As an official involved in the effort said, "There are two great realities that gov-

ern here. First, if we know about it, Saddam does [due to the intensity of his security precautions]. Second, if someone comes to us needing help [to mount a coup], they are probably incapable of pulling it off" successfully.

The long-standing skepticism and wariness of some CIA officers about taking on Saddam is summarized in a banner strung by the head of the agency's operations group for Iraq on a doorpost at the group's offices in CIA headquarters in Langley. It is a quotation from a letter written by Winston Churchill in 1921 to the British prime minister after Churchill was appointed to head the colonial office, with jurisdiction over the Middle East, and refers to Iraq by its ancient name of Mesopotamia.

"I feel some misgivings," Churchill wrote and the banner repeats, "about the political consequences to myself of taking on my shoulders the burden and odium of the Mesopotamia entanglement."

3 Options Discussed

A U.S. presidential finding authorizing a covert action to topple Saddam Hussein was signed by President George Bush in May 1991, less than three months after U.S. and allied mili-

tary forces had driven Iraqi troops from Kuwait. At the time, Bush was being heavily criticized in Washington for having publicly called on Iraqis to "take matters into their own hands" to oust

Saddam, but withholding U.S. military support from rebellions by the Kurds in northern Iraq and Shiite Muslims in the south.

Three major options were discussed by intelligence officials at the time: encouraging Kurdish groups to trigger a "rolling coup" that moved southward from territory under their control; using economic sanctions to create a pressure cooker atmosphere in Iraq that might lead to a "silver bullet" assassination by a lone security official or family member; and promoting a "palace coup" against Saddam and his aides by disgruntled Republican Guards or Iraqi security units.

In his memoirs, then-Secretary of State James A. Baker III recalled being advised by a series of allied officials in the Middle East that Washington should pursue a more ambitious fourth option: an Afghan-styled covert action to inflict major losses on Saddam's loyal Republican Guard forces and help split the rest of the Iraqi military from Saddam. But Baker noted that such an aggressive program would risk rupturing the U.S.-led international coalition that fought the Gulf War, or fragmenting Iraq with potentially negative results.

What the Bush administration decided to do instead was order the CIA to try to topple Saddam through a combined shotgun approach, essentially by giving covert financial aid and encouragement to anyone who stood a reasonable chance of success through any of the three options. Doing so would dem-

onstrate U.S. resolve to regional allies, by convincing them that Washington's animus against Saddam was deep and lasting; it would also complement the larger, public U.S. effort to strangle Iraq militarily, economically and diplomatically.

"It was a minimal program. We had Kurdistan around our necks. And anything we could do to make trouble for Saddam, and to encourage the formation of a core of opposition to him in the region, was good," said a former senior Bush administration official who is familiar with the presidential directive. "We never got to the point where we seriously contemplated using [direct U.S. military] force."

The CIA began by contacting whoever its analysts and regional station chiefs thought might form the nucleus of a credible opposition, including Kurdish leaders in northern Iraq, Iraqi exiles in Europe, and members of a group of Iraqi prisoners who had refused to be repatriated at the end of the war. One person who reportedly attracted early Saudi and U.S. support was Salah Omar Ali Tikriti, a former member of Iraq's ruling Baathist party who had once been Iraq's information minister but broke with Saddam when Iraq invaded Kuwait.

Together with a former Iraqi intelligence chief named Ayad Alawi, who had broken with Saddam and left Iraq in 1971, Omar Ali had helped establish the National Accord opposition group, which later received substantial CIA

support. With U.S. encouragement, the group set up a radio station called the Voice of Free Iraq, which operated from Saudi territory and called on the Iraqi people to overthrow Saddam. But the National Accord became much less potent when it fragmented in 1991, with Alawi and Omar Ali going separate ways.

Their split exemplified a habit of divisive infighting that came to infect most of the Iraqi opposition groups that enjoyed financial support at one time or another from the CIA and its counterpart organizations in Saudi Arabia, Britain, and Jordan. Still, many experts were optimistic that the anti-Saddam campaign would succeed quickly. As Baker wrote in his memoirs, "All our Arab coalition partners believed that Saddam would be ousted by a coup within six to eight months."

'Not Many' Choices

By 1992, the CIA had fixed its gaze on other Iraqi dissidents, including two rival Kurds: Massoud Barzani, a tribal chieftain and leader of the Kurdistan Democratic Party since 1970, and Jalal Talabani, who had broken with the KDP in 1975 to found the Patriotic Union of Kurdistan (PUK). But neither had any substantial standing outside northern Iraq, and as a result, the CIA's directorate of operations never expected that either could bring down Saddam. It was just, as one former government official said, that "there were

not many other choices" for mounting an anti-Saddam campaign.

The CIA's idea was to unite these two Kurdish groups with other organizations in northern Iraq under an umbrella organization, the Iraqi National Congress. By financing that organization's operations, the agency reasoned, Washington might be able to keep peace between the Kurds, deter Iraqi military forays in the north, and provide a public forum for stirring up popular opposition to Saddam.

Under pressure from Turkey, which also has a large Kurdish population, however, Washington remained consistently opposed to the two Kurdish groups' own principal motivation: the Kurdish people's historical dream of political autonomy. This difference in views produced immediate tensions between the CIA and the Kurdish groups, which were reflected in part by Washington's refusal to supply grenade launchers, armored projectiles and oth-

er sophisticated weaponry the Kurds demanded.

"Their claim was that they could take Saddam down, and all they needed was a little bit of support from the United States," said a former U.S. government official who followed the program closely. "They claimed they had unbelievable contacts in Baghdad, and incredible intelligence on low morale in the Iraqi military. They were so naive in regards to Saddam."

The head of the National Congress's executive committee was Ahmed Chalabi, 48, a western-oriented Iraqi exile. Although Chalabi was highly valued in Washington for his organizational skills, his involvement in a Jordanian banking scandal had raised questions about his accounting practices. As a result, the agency made periodic secret inspections of his books to ensure that the millions it poured into his London bank accounts were properly spent.

Chalabi's group formally announced

its existence at a news conference in a ritzy Vienna hotel in June 1992. It then set up television and radio stations to beam anti-Saddam invective toward Baghdad; published miniaturized versions of anti-Saddam books, and from time to time sent unmanned aerial reconnaissance vehicles supplied by the CIA over Iraqi cities to drop propaganda leaflets. Each of the two rival Kurdish groups used some of the CIA funds to sustain separate militias; one former U.S. government official recalls that they purchased Toyota Land Cruisers and Jeeps to transport their top officials around the rugged Kurdish countryside.

After Bill Clinton's election in November 1992, however, new appointees at the CIA and the National Security Council took a close look at the program and concluded that it did not amount to much. As one former senior official said, "The program was too fat, and all this front-end capitalization had been completed, and there was no coup plotting. There did not seem to be much prospect of bringing down Saddam."

As a result, Clinton proposed to cut spending for the program—by one account slicing its budget by as much as 50 percent—and a few lawmakers supported the plan. But a larger number on Capitol Hill, egged on in part by Kurdish protest faxes, expressed outrage at Clinton's proposal and demanded to know how Washington could possibly slacken its effort to oust a dictator as odious as Saddam.

"The predisposition of everybody in policy and on Capitol Hill is to throw money at these things," without understanding just how difficult they are, sighed a government official who witnessed the secret debate. The result was that millions of dollars in funding for the anti-Saddam effort that Clinton had proposed to cut wound up being restored.

Case Officers on Site

By mid-1994, the CIA decided that it needed a handful of officers on the ground in northern Iraq to oversee the operations of the National Congress and its Kurdish members. Several case officers, including a veteran of the agency's covert action program in Afghanistan, were dispatched to open an office in Salahuddin, on a hillside overlooking the strategically important Kurdish city of Irbil. Elaborate negotiations were conducted with the Pentagon to ensure

See CIA, A30, Col. 1

HOW THE U.S. BACKED IRAQI OPPOSITION TO SADDAM

A chronology of U.S., Kurdish and other Iraqi dissident efforts to remove Saddam Hussein from power:

1990

August: Iraq invades Kuwait.
November: Saudi intelligence sets up 30 Iraqi exiles, who later form the Iraqi National Accord, to promote a coup against Saddam Hussein.

1991

January-February: U.S.-led international alliance drives Iraq out of Kuwait in Persian Gulf War.

March 1: Shiites in southern Iraq begin uprising that spreads to Kurdish areas in northern Iraq. The United States at first moves troops as if to support rebellion.

March 26: Bush administration decides not to intervene to prevent Saddam from crushing Kurdish and Shiite rebellions. United States is worried about possible breakup of Iraq and Iranian-backed Islamic takeover.

April 5: U.N. Resolution 688 calls on Saddam to end repression of Kurds and others.

April 16: United States and allies create a "safe haven" in northern Iraq for the Kurds.

May: President Bush approves covert action to topple Saddam.

1992

June: Iraqi National Congress, a new anti-Saddam umbrella group seeking partly to unite diverse Kurdish factions, makes its debut in Vienna.

1995

March: Second attempt at a popular rebellion. CIA, through National Congress, tries to get a "rolling coup" started from Kurdish areas in north. But one major Kurdish faction declines to get involved.

Aug. 10: Gen. Hussein Kamel, Saddam's son-in-law, defects to Jordan.

Jordan's King Hussein decides to help organize Iraqi opposition.

November: Bomb kills 20 at the National Congress security office in Salahuddin, Iraq, and is blamed on agents of Saddam.

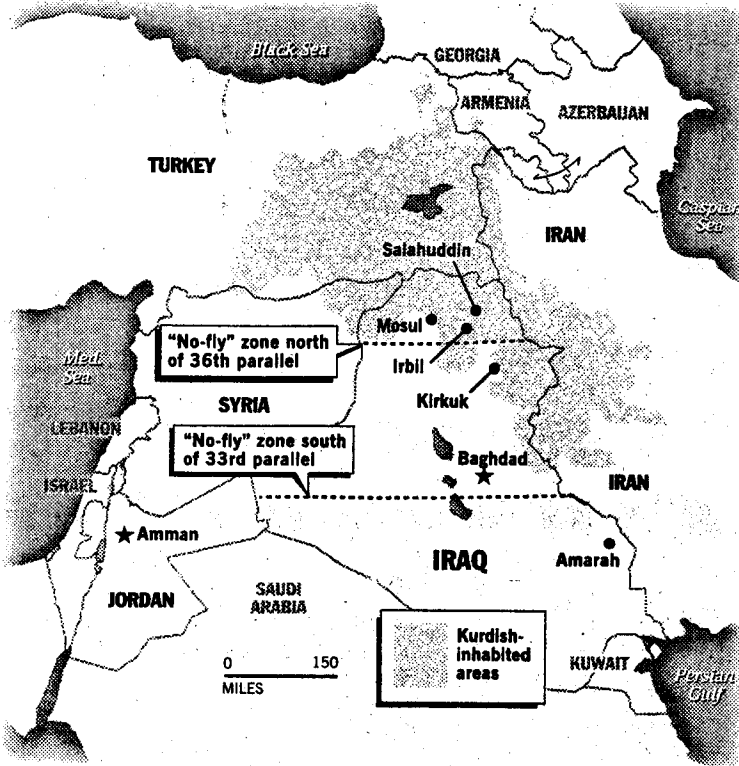
King Hussein meets with opposition representatives in London, but there is no agreement

faction-ridden National Congress to the National Accord.

Late January: Clinton administration approves plan to spend \$6 million on the National Accord, a radio station and other opposition activities. Saudis, Kuwaitis and British all put money into the National Accord.

attempt by disgruntled military, reportedly arresting more than 100 officers, including many sympathetic to National Accord.

Aug. 31: Iraqi troops, in alliance with Barzani's forces, capture Irbil with Talabani's group. Some supporters of National Congress are arrested, reportedly executed.



KEY IRAQI OPPOSITION LEADERS

Massoud Barzani

Leader of the Kurdistan Democratic Party (KDP), one of the principal Iraqi Kurdish separatist groups. Last month he made an unexpected alliance with the Iraqi government, and expanded his area of control in northern Iraq at the expense of his rival, Jalal Talabani.

Jalal Talabani

Leader of the Patriotic Union of Kurdistan. Longtime rival of Barzani for leadership of Iraq's Kurds.

Ahmed Chalabi

Exiled leader of the Iraqi National Congress, an umbrella group formed partly to try to unite the Kurdish factions led by Barzani and Talabani. A U.S.-educated Arab Shiite Muslim, Chalabi now lives in London.

Ayad Alawi

Exiled secretary-general of the Iraqi National Accord, a secular opposition group including former government officials and military officers. Alawi is an Arab from a Shiite Muslim family, who left Iraq in 1971 and now lives in Amman and London.

Wafiq Samarrai

Exiled former Iraqi military intelligence officer who left the military in 1991 and defected to the opposition in 1994. Not formally attached to any group, he is an Arab Sunni Muslim and lives in Damascus.

SOURCES: U.S. officials, diplomats and Iraqi dissidents

on who should attend. King gives up for now on forming a broad coalition of Iraqi opposition groups.

Mid-December: Hussein Kamel proposes creating nucleus of new opposition army, to be based in Jordan, but dissident groups reject his call.

1996

Mid-January: U.S., British, Jordanian and Saudi intelligence representatives meet in Riyadh and decide to switch their main efforts from the

Feb. 23: Hussein Kamel returns to Baghdad and is executed.

March 6: King Hussein in Washington urges United States to accelerate Iraqi opposition activities, including efforts to launch the National Accord.

March 30: Iraqi National Accord formally opens office in Amman, the only opposition group authorized to do so, and launches radio station the following month.

June: Saddam foils coup

