

The CIA at CBS: Cloak-and-Camera at Black Rock

By Daniel Schorr

“...When CBS took me off the air after the Pike leak, Safire said my real offense was exploring Bill Paley’s big secret...”

My inquiry into William Paley’s CBS was the strangest of my career. Explaining that I was impelled not by vindictiveness but by inquisitiveness, I asked to interview old bosses—and their bosses. All of them talked to me—most of them on tape. Often they were in startling contradiction to each other about the course of events and about the role of Paley, the chairman of the board. Paley himself sat with me for almost four hours over a two-day period, his tape recorder alongside mine—once “taking a feed” from his former employee when he accidentally erased part of his tape. We spent more time in direct conversation in February, 1977, than during all the years I had worked for him.

The discussion ranged from Paley’s deep involvement in the Republican party to the reasons why I was forced out of the network after the disclosure of the Pike report in the February 16, 1976, issue of the Village Voice. Finally, one question remained: What was the Paley-CIA connection?

The luncheon that William Paley held in his private dining room on the thirty-fifth floor on February 4, 1976, for George Bush, the new CIA director, did not go as he had hoped. What was to have been a sociable welcome for the son of the late Senator Prescott Bush, warmly remembered as an early CBS board member, turned, after dessert, into an argument about CIA agents posing as reporters. It was started by Walter Cronkite, angry because he had been identified by a former television newsman, Sam Jaffe, as having appeared on an alleged White House list of journalists who purportedly worked for the CIA. To remove the stain from himself and journalism, Cronkite demanded that Bush disclose the list of

news people who actually had been CIA agents. Bush was sympathetic to Cronkite’s complaint and ready to consider ending the practice (which he subsequently did). He flatly refused to uncover those who had served the CIA in the past under a promise of eternal confidentiality. At the height of the argument, Paley stepped in, graciously supporting his guest and suggesting that it would be best to bury the past.

A week later it looked as though Paley might have had reason of his own for wanting to bury the past. That was when it had been my lot to go on the Cronkite show with the story based on the disclosure of Sig Mickelson, former president of CBS News, that at least two former part-time correspondents for CBS News in the 1950s had been CIA agents. The story’s most startling aspect had been that Mickelson had learned about one of them, Stockholm stringer Austin Goodrich, from two CIA officers right in Paley’s office, introduced by Paley, who listened while they identified Goodrich as their man.

Paley denies the story; Mickelson sticks to his guns. When CBS took me off the air in the controversy over the Pike report, William Safire wrote in his *New York Times* column that the fuss over the *Village Voice* was a smoke screen for the CIA story, that my real offense had been “exploring Paley’s big secret on CBS.”

I undoubtedly contributed to the tension, during my summer in limbo, with my own article on the op-ed page of the *Times* saying that the institutional arrangements made by news-media executives with the CIA were a more important subject for inquiry than the names of reporters who had—for equally patriotic reasons—operated under those arrangements. I noted the circumstantial evidence that Paley, Arthur Hays Sulzberger (the late publisher of the *Times*), and other media tycoons had cooperated to provide cover for

CIA agents. William Colby told me that in the 1950s it had been customary to enter into such understandings; sometimes they were even formalized in a written memorandum. “There are executives and retired executives,” I wrote, “who could help dispel the cloud hanging over the press by coming forward to tell the arrangements they made with the CIA.”

The congressional investigations failed to get to the bottom of the CIA infiltration of the news media. Congressman Otis Pike, chairman of the House committee, asked Colby at a hearing on November 6, 1975, “Do you have any people paid by the CIA who are working for television networks?” Colby murmured, “This, I think, gets into the kind of details, Mr. Chairman, that I’d like to get into in executive session.” The room was cleared, and behind closed doors, Colby said that, during 1975, the CIA was using “media cover” for eleven agents, many fewer than in the heyday of the cloak-and-pencil operation, but no amount of questioning would persuade him to talk about the publishers and network chieftains who had cooperated at the top. A CIA director willing to endure the embarrassment of protecting the identity of Mafia collaborators was certainly not going to betray patriotic media proprietors.

When I embarked on my “CBS revisited” project, it was clear that the toughest part would be the Paley-CIA connection, protected by the double cloak of corporate secrecy and intelligence security. The most active period of CIA-media cooperation had been in the cold-war days of the 1950s, and there were few—if any—still around at CBS who knew what Paley knew.

One found clues indicating that CBS had been infiltrated. A news editor remembered the CIA officer who used to come to the radio control room in New York in the early morning and, with the permission of persons unknown,

From the book *Clearing the Air* by Daniel Schorr, soon to be published by Houghton Mifflin Company, Boston. Copyright © 1977 by Daniel Schorr.



Schorr and Paley: Behind the Cameras

For most of the 23 years I worked for him, William Paley had been more legend than person for me—the practical visionary who had built both a successful entertainment network and, with Edward R. Murrow as his conscience, the finest and most pampered news organization in the industry. My first direct communication from Paley came in 1956, when I was stationed in Moscow. He wrote asking me to look after his “favorite niece,” Kate Roosevelt, the stepdaughter of Jock Whitney, whose wife was the sister of Paley’s wife. For courtesies easy to extend to the charming young tourist, I was rewarded, on my return to New York: house seats for *My Fair Lady*, the vastly successful Broadway musical that Paley’s uncanny sense about entertainment had acquired for CBS, and an invitation to a Sunday supper-musical at the Whitney estate in Manhasset, Long Island.

Stationed in Germany from 1960 until 1966, I joined other European correspondents who were summoned to Paris during Paley’s biennial trips for a leisurely lunch, with faultless service and exquisite wines, in his suite at the Hotel Ritz. These meetings had no visible purpose other than to display Paley’s continuing interest in the old Murrow news organization. The unstructured conversations, under the influence of cocktails, wine, and after-lunch cognac, had sometimes unexpected results.

At lunch in the spring of 1962, Paley complimented me on the recently aired *CBS Reports* documentary on East Germany, “Land Beyond the Wall.” Its dramatic climax showed Walter Ulbricht, the East German Communist leader, upbraiding me for my questions and finally storming out of the room in full view of the camera. “What I admired most,” said Paley, “was the coolness with which you sat there while he was yelling at you.”

Breaking into laughter, I said, “Surely you understand that the shots of me looking cool were ‘reverses,’ filmed after Ulbricht had left the room!” No, Paley had not understood that and had not known about “reverses,” and he wanted all this explained. Feeling as though I was betraying some company secret—albeit to the head of the company—I proceeded to explain in detail the conventional post-interview procedure for shifting the camera and focusing it on the correspondent to repeat the principal questions, plus a gamut of absorbed and skeptical poses, all of this to be spliced into the interview to add variety and facilitate editing. Paley was fascinated.

“But isn’t it basically dishonest?” he asked finally. “Aren’t you in a position to sharpen your question the second time around? And can’t you arrange your reactions the way you would have liked to have them?”

“Absolutely! And that temptation will be there unless you’re willing to go to the expense of having two cameras each time.” With a sense of plunging deeper, I went on:

“The deception goes much further than that. Let’s talk about your friend General Eisenhower. He recently filmed a series of interviews with Walter Cronkite. I happened to see how a transcript was being edited. At one point, Eisenhower was made to appear to be answering a question he had actually been asked several pages earlier. The producer explained to me that Ike was sometimes so diffuse that questions had to be rearranged to match his replies.”

Paley looked deeply shocked. By the time I was back in Bonn that evening, I heard reverberations from New York. Paley had ordered the summary abolition of subsequently filmed reactions and questions, and any editing that attached answers to the wrong questions. His sweeping order, which had film editors wringing their hands, was later quietly eased to permit “reverses” when approved by the interview subject. Since 1962, however, CBS News policy has reflected the Paley rebellion against the creeping deception that his news people had, almost unconsciously, slipped into. That was one kind of Paley intervention into new precincts—as the watchdog of honesty.

Another side of Paley was displayed at a subsequent Paris luncheon. The CBS Radio Network, trying to keep its fingernail hold on solvency, had begun requiring correspondents to “billboard” commercials—that is, to mention the names of the sponsors. I argued that the tawdriness of the practice harmed the prestige of the correspondents and of CBS News. With a flash of irritation, Paley said that if I was not happy with the commercial requirements of radio, I could give up doing the broadcasts. That was Paley the businessman.

—D. S.

listened to CBS correspondents around the world recording their “spots” for the *World News Roundup* and discussing events with the editor on duty. Sam Jaffe claimed that when he applied in 1955 for a job with CBS, a CIA officer told him that he would be hired, which he subsequently was. He was also told that he would be sent to Moscow, which he subsequently was; he was assigned in 1960 to cover the trial of U-2 pilot Francis Gary Powers. Richard Salant told me that when he first became president of CBS News in 1961, a CIA officer called saying he wanted to continue the “long-standing relationship” known to Paley and then CBS president Frank Stanton. But Salant was told by Stanton there was no obligation that he knew of. Thereafter, Salant turned down persistent requests for unbroadcast portions of reports and interviews, especially from Eastern Europe. Salant declined to cooperate in setting up a CIA meeting with William Cole, the CBS correspondent expelled from Moscow after filming interviews with Soviet dissidents.

The CIA was the last big item on my agenda with Paley. Earlier, he had casually asked if I knew Bill Safire and for how long. I had said that Safire was a friend but that his column on “Paley’s Big Secret” was his own idea.

“Okay,” I said, opening the subject, “the CIA thing.”

For the first time, Paley was prepared to acknowledge that he had had a relationship with the CIA. It had not gone through Frank Wisner, the late head of the CIA’s covert operations, who had cultivated media tycoons—though Paley had known Wisner casually, and his wife, Polly, somewhat better. The CIA relationship had been, he asserted, a purely personal matter.

“I cooperated with them, was helpful to them a few times on a very personal basis, and nothing whatsoever to do with CBS. . . . I was approached as somebody who could cooperate with them to their advantage. And this was back in the early fifties, when the cold war was at its height and when I didn’t hesitate for a second to say, ‘Okay, it’s reasonable, I’ll do it.’”

Paley insisted on keeping off the record the specific nature of his personal service to the CIA. It was a form of assistance that a number of wealthy persons are now generally known to have rendered the CIA through their private interests. It suggested, however, that a relationship of trust had existed between him and the agency.

Paley, in addition, was willing to acknowledge one service he had performed for the CIA through CBS—in fact, it had gone through Mickelson. It had involved (Continued on page 47)

“...The toughest part was the Paley-CIA connection, protected by the cloak of corporate secrecy and intelligence security...”

(Continued from page 42) permitting the use of the CBS booth overlooking the United Nations Security Council chamber. From there an expert in lip-reading would scrutinize the Soviet delegation, hoping to decipher whispered consultations. Paley's point in volunteering this information (which he permitted me to report after I had obtained clearance from the CIA) was that Mickelson might somehow have confused the lip-reader episode with the episode of the Stockholm stringer—a meeting in Paley's office, but for a different purpose.

Mickelson told me that, while he had forgotten about the lip-reader, this matter had involved no meeting, only a telephone call from Paley and Mickelson's relayed authorization to subordinates for use of the United Nations booth. Furthermore, said Mickelson, he recalled the lip-reader incident as having occurred during the visit of Premier Khrushchev to the U.N. in 1959, five years after the meeting in Paley's office about Austin Goodrich, the CBS—or was it CIA?—man in Stockholm.

In March, 1976, a month after the Mickelson story broke on CBS, Paley invited him to his office and sought unsuccessfully to convince him that he was mistaken. Mickelson quoted Paley as concluding their talk by saying that he still did not remember such a meeting, but “perhaps your memory is better than mine.”

For me, a year later, Paley produced details and documents that added up, as he put it, to “proof positive that Sig's recollection of what happened was wrong.” Except that, on scrutiny, what Paley offered proved nothing. He showed me a letter concerning Goodrich, a copy of which had gone to Mickelson, as evidence that Mickelson was mistaken in saying he had not been aware of the stringer's existence until the meeting in Paley's office. However, Mickelson had placed the meeting as having occurred in October, 1954, and the letter was dated December of that year, and thus, as I noted to Paley, there was no contradiction. Paley observed that Goodrich had been recommended for Stockholm by his predecessor, Robert Pierpoint, and so must have been legitimate. But Pierpoint said that, while friendly with Goodrich, he had simply not known that Goodrich worked for the CIA.

Paley could have simply forgotten a meeting with Mickelson and CIA officials. What he could hardly have for-

gotten was whether he had a continuing relationship with the CIA that would have made such a meeting possible. While admitting a personal connection with the CIA and a onetime service—like accommodation for a lip-reader—Paley steadfastly denied any relationship involving CBS.

The Goodrich episode provided another way to approach the question of infiltration of CBS. Goodrich's cover had been blown anyway, and while the interdiction on disclosure of “intelligence sources and methods” was formally still in force, I knew enough people in the intelligence community to reconstruct the story unofficially.

In 1954, Goodrich was working as a full-time writer on the CBS news desk in New York. Recruited by the CIA, he resigned his CBS job, but arranged to go to Stockholm as a CBS stringer, with a \$100 monthly retainer. The arrangement was known to Paley and to one or two other persons on the business end of CBS, who handled the financial transactions involved.

The agency had similar arrangements with top executives—the very top executives—of other news organizations with overseas bureaus. This was the ideal cover for agents because their methods and inquisitive styles of operation were so much like those of foreign correspondents. While the CBS arrangement was essentially a cover for his CIA mission, Goodrich carefully separated the two functions. He was dealing with news editors who had no idea of his other role, and who weighed his suggestions for broadcasts on their merits. It was no part of his job to plant agency-inspired information in the United States. When he worked as a reporter, he was a reporter. For people who lead two lives there is such a thing as “controlled schizophrenia”; being sure which hat one has on is essential to successful cover.

Ironically, the 1954 meeting with Mickelson in Paley's office was a security lapse that endangered Goodrich's cover. The two CIA officers wanted to solicit Mickelson's cooperation, and a perfunctory security check on him had been run in advance. But, under the rules, he should not have been made “witting” of the Goodrich arrangement until he had agreed to cooperate. Taken by surprise, Mickelson had not agreed, and thus he represented a potential danger of exposure—deterred only by the involvement of his boss.

Soon after that meeting the CIA apparently decided to change Goodrich's CBS cover. Word filtered down to “unwitting” news executives that Goodrich, whose broadcasting activities had virtually ceased, should be phased out as a stringer. In December, Edward P. Morgan, near the end of his brief term as director of CBS News, wrote to Howard K. Smith, European news chief in London, proposing to cancel Goodrich's retainer as unwarranted. (Almost a quarter century later, Morgan could not remember who so instructed him.) Thereafter, other cover arrangements were made for Goodrich, though he continued to perform occasional non-broadcasting assignments for CBS. He helped to obtain film for CBS on the Winter Olympics in Helsinki, and he dug up footage on the Russo-Finnish war for Burton Benjamin, producer of the *Twentieth Century* historical documentaries.

I met Goodrich in Helsinki in 1957 when I came from Moscow to cover Khrushchev's tour of Finland. He was shooting free-lance film of the trip to be offered to CBS; most of it turned out to be out of focus. Twenty years later I talked to Goodrich, now in the insurance business in Great Falls, Virginia. He liked what I had written about top executives coming forward to explain CIA-media cooperation, instead of letting those lower down get pilloried in a climate of misunderstanding about the motives of those who had served as soldiers in the cold war. Life had been pretty rough after Mickelson had exposed him, and it would be a lot easier for him if the whole arrangement were to be publicly explained by the man at the top who made it. From a continued sense of loyalty, Goodrich would not officially break his own cover—or the cover of anyone else. He had never met Paley. He was sure that Paley had acted out of patriotic motives.

“Maybe one of these days, when Paley retires, I can be of more help,” said Goodrich.

In probing into sensitive areas of government, I had raised problems inside CBS. It had been self-delusion to believe that one could practice old-fashioned no-holds-barred investigative reporting of the government while representing an organization that felt vulnerable to government pressures, its proprietor ambivalent about his conflicting commitments.