SFChronicle

Inside the CIA's

New York

Not long after John Kenneth Galbraith, the Harvard economist, arrived in India in 1961 to take up his new post as American ambassador, he became aware of a curious political journal called Quest that was floating around the Asian subcontinent.

"It had a level of intellectual and political competence that was sub-zero," Galbraith recalled in an interview. "It would make you yearn for the political sophistication of the National Enquirer."

Though an English-language publication, "it was only in some approximation to English," he said. "The political damage it did was nothing compared to the literary damage."

Then the new ambassador discovered that Quest was being published with money from the Central Intelligence Agency. At his direction the CIA closed it down.

Though perhaps less distinguished than most, Quest was one of dozens of English and foreign-language publications around the world that have been owned, subsidized or influenced in some way by the CIA over the past three decades.

A decade ago, when the agency's communications empire was at its peak, it embraced more than 800 news and public information organizations and individuals. According to one CIA official, they ranged in importance "from Radio Free Europe to a third-string guy in Quito who could get something in the local paper."

The thread that linked the CIA and its propaganda assets was money, and the money frequently bought a measure of editorial control, often complete control. In some instances the CIA simply created a newspaper or news service and paid the bills through a bogus corporation. In other instances, directly or indirectly, the agency supplied capital to an entrepreneur or appeared at the right moment to bail out a financially troubled organization.

According to an agency official, the CIA preferred where possible to put its money into an existing organization rather than found one of its own. "If a concern is a going concern," the official said, "it's a better cover. The important thing is to have an editor or someone else who's receptive to your copy."

The CIA, which evolved from the Office of Strategic Services of World War II, became involved in

Journalistic Empire

the mass communications field in the early postwar years, when agency officials became concerned that influential publications in ravaged Europe might succumb to the temptation of Communist money. Among the organizations subsidized in those early years, a CIA source said, was the prestigious French journal Paris Match.

No one associated with Paris Match in that period could be reached for comment.

Although long suspected, it was reported definitively only a few years ago that until 1971 the agency supported both Radio Free Europe, which continues, with private financing, to broadcast to the nations of Eastern Europe, and Radio Liberty, which is beamed at the Soviet Union itself.

One of the CIA's ventures in the United States involved the subsidization of several publications whose editors and publishers had fled from Havana to Miami after the Castro government came to power in 1959. The subsidies — in some cases they amounted to several million dollars — were passed to the publications through a CIA front in New York called Foreign Publications, Inc.

The dozen recipients of these subsidies reportedly included Avance, El Mundo, El Prensa Libre, Bohemia and El Diario de Las Americas. In addition, the CIA is said to have financed AIP, a radio news agency in Miami that produced programs sent free of charge to more than 100 small stations in Central and Latin America.

The CIA initially intended to clandestinely distribute copies of the subsidized publications in Cuba, but that plan was dropped after the Cuban exiles who had agreed to take them by boat refused in the last minutes to approach the Cuban shore.

The subsidies continued anyway, and the publications were widely read in the Cuban communi-

ty in Miami and, in the case of Bohemia, a weekly magazine that received more than \$3 million altogether, throughout Latin America as well.

Among the more unusual of the CIA's relationships was the one it shared with a Princeton, N.J. concern called the Research Council The council, founded by Hadley Cantril, the late chairman of the Princeton University psychology department, and his associate, Lloyd Free, derived nearly all its income from the CIA in the decade in which it was active.

"They were once considered an asset because we paid them so much money," a former CIA man said. Free confirmed that he and Cantril, an acknowledged pioneer in public opinion polling, had "just sort of run" the council for the CIA.

The council's activities, Free said, consisted of extensive public opinion surveys conducted in other countries on questions of interest to the CIA. Some, he said, were conducted inside Eastern Europe.

The governments of the countries, Free said, "didn't know anything about the CIA." Nor, apparently, did Rutgers University Press, which published some of the results in a 1967 volume called "Pattern of Human Concerns."

The CIA's relationship with Frederick Praeger, the book publisher, has been reported in the past. But Praeger was only one of a number of publishing concerns, including some of the most prominent in the industry, that printed or distributed more than 1000 volumes produced or subsidized in some way by the agency over the last

three decades.

The Praeger organization, which was purchased by Encyclopedia Brittanica in 1966, first became involved with the CIA in 1957 when it published "The New Class," a landmark work by Milovan Djilas, a disillusioned official of the Yugoslav government who wrote extensively about his personal rejection of Communism.

"It was my first contact with the CIA," Praeger said, but he added that at the time he had "no idea there even was a CIA."

Praeger said that he later published 20 to 25 volumes in which the CIA had had an interest, either in the writing, underwriting, publication itself or distribution.

Dozens of foreign-language newspapers, news services and other organizations were financed and operated by the CIA — two of the most prominent were said to have been DENA, the West German news agency, and Agencia Orbo Latino Americano, the Latin-American feature service.

Perhaps the most widely circulated of the CIA-owned news services was Forum World Features, founded in 1958 as a Delaware corporation, Forum Information Service, with offices in London. Forum was ostensibly owned during much of its life by John Hay Whitney, the publisher of the New York Herald Tribune, which ceased publication in 1966. According to several CIA sources, Whitney was "witting" of the agency's true role.

A secretary to Whitney said that he was too ill to respond to questions about his involvement with Forum.

Though the CIA has insisted that it never attempted directly to place its propaganda in the American press, at one time Forum World Features had 30 domestic newspapers among its clients, including the Washington Post, and tried, without success to sell its material to the New York Times.

The sale of Forum's material to the Post and other American newspapers, one CIA official said, "put us in a hell of a dilemma." The sales, he went on, were considered necessary to preserve the organization's cover, and they occasioned a continuing and somewhat frantic effort to insure that the domestic clients were given only legitimate news stories.

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