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U.S. Funds That Went

Washington

Nearly one-third of the hundreds of covert intelligence operations undertaken by the United States during the last decade have involved secret financial support to foreign political parties and government leaders, according to a report by the House intelligence committee.

The panel found that while the majority of such aid had been funneled by the Central Intelligence Agency into the developing countries, the United States also supplied \$75 million to Italian political parties and candidates since the agency was established in 1947.

That figure includes \$10 million supplied by the CIA to non-Communist groups in Italy, principally the Christian Democratic

party and 21 individual candidates for office, in an effort initiated by American Ambassador Graham Martin to counter Soviet political influence in last June's Italian parliamentary elections.

Documents and other evidence supplied to the committee's investigators by the CIA also showed that one unidentified third-world leader received \$960,000 in political aid from the United States during 14 years and that several other foreign heads of state had been supported financially for more than a decade.

Those findings grew out of the House panel's inquiry, the most extensive ever, into the operation of the Forty Committee, the arm of the National Security Council that, under the National Security Act of 1947, is responsible for

approving in advance covert intelligence operations proposed by various agencies.

Rather than showing any sort of long-term pattern by the United States to influence the course of world politics and other events toward a single goal, the report said, the covert actions taken demonstrate by their diversity "a general lack of direction in U.S. foreign policy."

Federal funds, the committee found, over the years have been secretly channeled by the CIA to "a plethora of foreign religious, professional and labor organizations," as well as political groups and military undertakings.

The committee declared in its report that it had found the Forty Committee to have often been

to Foreign Politicians

"little more than a rubber stamp."

It noted that the group had held only one formal meeting from 1972 to 1975 and on some occasions had been bypassed by White House officials altogether.

Although the committee found that 88 per cent of the proposals made to the Forty Committee since 1965 had come from the CIA, it discovered that proposals also had been initiated or submitted by the Defense Department, the State Department, an ambassador (Martin), a cabinet member and "a foreign head of state," as well as President Nixon and his then-national security assistant, Henry Kissinger.

The head of state, who like other American and foreign officials, was not identified in the

House report, was said by informed sources to be the Shah of Iran.

The proposal in question was his plea to Mr. Nixon and Kissinger for American military support to Kurdish troops fighting guerrilla actions against the Iraqi government in northeastern Iraq, with which the shah had not been on good terms.

According to the committee, political financing operations made up 32 per cent of the proposed covert actions approved by the Forty Committee since 1965.

An almost equal number of operations set in motion concerned "media and propaganda" projects that involved high levels of sensitivity or expense, while 27 per cent of the approvals were for

transfers by the CIA of arms and paramilitary equipment to "secret armies" and other groups, like the Kurdish rebels, that were "engaged in hostilities."

The report termed the third category the most costly. It noted that the "great majority" of such military operations had been ordered or proposed from outside the CIA, in many cases over the agency's objections.

In some instances, the report said, the agency was used by the Department of Defense to ship arms that could have been supplied through established military assistance programs that were not used because the Pentagon "did not desire to return to Congress for additional funds and approval."

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