

## CHAPTER TWELVE NIXON

"To this day", wrote General Vernon Walters in 1978, "I believe Mr Nixon harbours the idea that someone in the CIA tried to do him in, or acted in some way against him." Walters had been deputy director of Central Intelligence, 1972-76, during the Watergate scandal. He did not share Nixon's view of the CIA that was to dog his relationship with the agency for the five turbulent years of his presidency.

Nixon was different from his immediate predecessors: he was not part of the governing consensus. His non-collegiality alienated insiders. He was a president who exercised to the full the prerogatives of his office, thrilled with power, determined to mold a Nixonian elite which he hoped would displace the old east coast, Ivy League, liberal establishment, the Washington "fat cats". He was passionately antagonistic to the Washington power structure:

"I won the 1968 election as a Washington insider, but with an outsider's prejudices. The behind-the-scenes power structure in Washington is often called the iron triangle: a three-sided set of relationships composed of congressional lobbyists, congressional committee and subcommittee members and their staffs, and the bureaucrats in the various federal departments and agencies. These people tend to work with each other year after year regardless of changes in administration: they form personal professional associations and generally act in concert."

Nixon urged his cabinet members not to recruit their staffs solely from eastern schools and companies but to look to the south, the west and the midwest: "We can't depend on people who believe in another philosophy of government to give us their undivided loyalty or their best work ... If we don't get rid of those people, they will either sabotage us from within, or they's just sit back on their well-paid assess and wait for the next election to bring back their old bosses."

This was the siege mentality which faced the CIA director, Richard Helms. Helms was lucky to escape the purge. He was, after all, a Johnson appointee and he was regarded by Nixon as "one of those Georgetown types". But Helms was an effective administrator and he was well thought of in Congress. The touchstone of Helms' modus operandi was that he was there to serve policy, not to make it, and this self-effacement enabled Nixon grudgingly to accept him.

Unlike Johnson, Nixon was not gregarious. He was a loner who preferred to work and to think in comparative solitude. Rather than deal directly with the heads of agencies and departments, he used close and trusted aides like John Ehrlichman and H R Haldeman. He also relied a great deal on Henry Kissinger who served first as his national security adviser and then as his secretary of State. Helms dealt almost entirely with Kissinger and his deputy, Alexander Haig, and not with Nixon who preferred to remain removed from direct contact.

## KISSINGER

Nixon made it clear that he wanted Kissinger to take charge of intelligence and that the national security council staff in the White House under Kissinger would control the intelligence community. This was the beginning of a shift of power

away from the CIA to the NSC. It was both a personal shift of power by the President in his own interests and an institutional shift. From this point on, under successive Presidents, the agency began to lose influence to the NSC staff and the President's national security adviser, who in turn has paralleled and at times challenged the director of Central Intelligence for the de facto position of the President's chief intelligence officer.

R Jack Smith, deputy director of intelligence, 1966-71, gave a vivid description of the change in atmosphere when Nixon came in to the White House in 1969:

"It was just as though the shades in the White House were pulled down all of a sudden. They came in with the assumption that everybody outside the White House was partisan to one degree or another, on one side or another, and was trying to grab a slice of the White House power. They were antagonistic right from the outset. If the CIA has any work to do at all, it is work on behalf of the President. The President is the man the agency serves. If the President feels that we are just another of the contenders out there with policy axes to grind, then it is hard for the agency to do its work. We suddenly had to work in this chill compared to what we had had before".

Helms felt this chill right away. It was customary for the DCI to open NSC meetings with a briefing on the subject being discussed and then to attend the rest of the meeting to answer questions or deal with points as they came up. In December 1968, before Nixon's inauguration, Helms was told by Kissinger that in future he would have to leave the NSC meetings after his initial briefing. This was a major threat to the agency's position in the intelligence bureaucracy. The NSC was the preeminent policy organization in intelligence and foreign policy matters. The exclusion of the DCI from NSC meetings would severely limit the agency's influence and status in the Washington scheme of things.

Helms raised the matter with the new Defense secretary, Melvin Laird. The President would be vulnerable from a statutory point of view to criticisms that he was making strategic decisions without the advice of his chief intelligence officer. Laird agreed that the DCI should not be excluded from NSC meetings, and Helms stayed. But it was a taste of things to come. Similar proposals were made to other heads of agencies, all designed to concentrate power and authority in the White House.

Kissinger, who was Nixon's right hand man when it came to cutting out the agency (and the State Department and the military), employed an oblique approach. He would never say directly what he or the President wanted but instead demanded general analysis. "Send me what you've got, and I'll know what I like when I get it," was the Kissinger line. Backed by the President, Kissinger insisted on being given the raw material of intelligence analysis - the cables, agents' reports, communications' intercepts, photographs and technical intelligence. With the NSC staff, he made his own interpretation of the material separate from the CIA, and briefed the President accordingly. Nixon, who prided himself on his grasp of foreign policy and his knowledge of other countries, always read the detailed briefings that circulated before NSC meetings. This meant that Helms was dealing with a President and a national security adviser who were unusually well-informed.

This state of affairs led to two factors which linked the agency's ability to

perform. First, being knowledgeable, Nixon and Kissinger kept the CIA on the defensive. Second, with the exclusion of outsiders from the policy-making process, the CIA, along with other agencies and departments, was often in the dark as to just what policy was being followed.

The secrecy with which Nixon and Kissinger surrounded their policy objectives and their efforts to achieve them had a dangerously isolating effect on the White House. Every major department and agency in the Washington bureaucracy resorted to intrigue to find out what was going on. The chairman of the Joint Chiefs of Staff instructed a navy yeoman working in the Joint Chiefs liaison office in the White House for copies of Kissinger's cables and other secret documents. A naval officer monitored telephone calls between Nixon, Kissinger and Haig. From these, as one of the Joint Chiefs of Staff recalled:

"It was clear that Haig was running to Nixon and shooting down Kissinger. Kissinger was running to Nixon and shooting down Haig. Nixon from time to time would cut Kissinger off totally and not see him, whereupon Kissinger would become totally paranoid. It all made it totally impossible to carry out structured policies."

This situation affected the State Department as well as the CIA and the military. Ray Cline, who left the CIA in 1969 and became director of the State Department's intelligence and research bureau, resigned in disgust in 1973:

"The White House almost totally disregarded the State Department in the Nixon era. Crucial intelligence was often suppressed to insure that only Nixon and Kissinger had the full body of information on which to make broad judgements. The whole interagency bureaucracy was emasculated to provide a monopoly of power for the White House."

## BUREAUCRATIC IN-FIGHTING

Although the initial attempt to exclude Helms from the NSC meetings had failed, Nixon was still determined to bend the intelligence community to his will. In December, 1970, he ordered James Schlesinger, assistant director of the Bureau of the Budget, to review the agencies and organization of American intelligence. Three months later Schlesinger produced his report, "A Review of the Intelligence Community", in which he criticised the estimates as tending to be anodyne in their attempt to reach a consensus and argued that the role of the director of Central Intelligence was a fiction. Intelligence, the report stated, cost a great deal more than was realized by Congress, but the big expense - technical intelligence collection - was worthwhile and produced far better information than old-fashioned political intelligence.

Schlesinger's report did scant justice to the effective coordinating system within the intelligence community which Helms had helped set up. Helms had overseen the development of the United States intelligence board committee structure and the CIA procedures for rationalizing resource allocations within the intelligence community. Helms had also established the national intelligence resources board which reviewed and controlled intelligence budgets. This coordinating system worked because it enabled differences between the various intelligence agencies to be resolved without too much friction. Schlesinger's report, by encouraging bureaucratic challenges to the status quo, undermined it.

In November, 1971 Nixon issued a Presidential directive implementing Schlesinger's recommendations. A subcommittee of the NSC, the national intelligence committee, chaired by Kissinger, was set up to coordinate and review the activities of the intelligence community. The DCI retained responsibility only for the overall intelligence budget. These moves relegated to the sidelines both the NSC and the DCI, and the DCI's role as head of the intelligence community.

Ray Cline, with the advantage of having worked both in the CIA and the State Department, summed up the problems which Helms faced during his tenure as DCI:

"A Vietnam-obsessed President Johnson and a secretive President Nixon never gave Dick Helms much of a chance to be the kind of DCI that Dulles was for Eisenhower and McCone was for Kennedy. They both viewed Helms and the CIA primarily as an instrument for the execution of White House wishes by secret methods. They neither seemed to understand nor to care about the carefully structured functions of central intelligence as a whole, and increasingly under Nixon and his principal assistant, Dr Kissinger, disregarded analytical intelligence except for what was convenient ... in support of Nixon-Kissinger policies. Incoming intelligence was closely monitored and its distribution controlled by Kissinger's staff to keep it from embarrassing the White House, and the national estimates function fall into comparative disrepute and neglect. I doubt that any could have done better than Helms in the circumstances. One thing is clear, however: the CIA was deteriorating in its influence and its capability to influence policymaking by objective analysis."

## CHILE

A similar deterioration was evident in the area of covert operations. In retrospect it can be seen that up to the mid-1960's the agency was blessed with an extraordinary run of good luck. There was an assumption that no matter what happened anywhere in the world, the CIA would be ready and able to deal with it at a moment's notice. The history of the agency was dotted with brilliant, rapid operations that contained or forestalled problems.

The Cuban missile crisis, while enhancing the CIA's reputation, was a watershed. Nothing was so intense afterwards. The world was settling down; deterrence was working; the old empires were gone. The CIA began to see its role in more long-range terms. It would no longer simply respond to events but would seek to control and direct them. It was no longer possible to run the kind of low-profile, low-key operation that toppled Mussadegh, and the agency began quietly withdrawing from the subversion emphasis of the 1940's and 1950's.

In 1970, when it looked as if the Marxist Salvador Allende would win the Chilean Presidential election, Nixon ordered the CIA to mount a covert operation to prevent Allende from winning. Old agency hands were appalled: there was only a matter of weeks in which to operate and the agency had wound down its operations in Chile. David Atlee Phillips asked a colleague "Why should we be doing this, especially when we believe it won't work?" The CIA station chief in Santiago, Henry Heckscher, fired off a volley of objections until finally told to stop. He was ordered to return to Langley where he was rebuked by the DDP, Thomas Karamessines, for failing to understand that this was something the CIA

had to do even though it did not want to. "Nobody", said Karamessines, "was going to go into the Oval Office, bang his fist on the table and say we won't do it."

The CIA had a history of successful political manipulation in Chile. In 1962 and 1964, when Allende had previously sought election, the agency had spent \$4 million supporting the Christian Democrats led by Eduardo Frei. As the 1970 election approached, Allende made another bid for the Presidency, arguing that Frei's policies of land reforms and wealth redistribution were half-hearted and that an Allende government would be more vigorous, particularly in its pursuit of nationalising industry. The CIA was consistently doubtful about its ability to influence the outcome of the 1970 elections: a 1968 national intelligence estimate on Latin America concluded that the forces for social reform were running too strongly to be manipulated from outside.

The 40 committee was the interdepartmental committee established by the NSC to review CIA covert operations. In March 1970, six months before the elections, it approved the first anti-Allende propaganda campaign. Henry Kissinger chaired the committee. "I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people," he declared. But despite another propaganda campaign against Allende, he won the September 1970 election.

Allende's victory alarmed a number of big U.S. corporations which had substantial interests and investments in Chile, particularly Anaconda Copper, and the International Telephone and Telegraph Corporation (ITT) on whose board John McCone now sat. A joint CIA-ITT effort was developed to prevent Allende from coming to power. The chairman of Anaconda had offered the State Department \$500,000 in corporate funds to be used against Allende. Helms, sceptical of success, simply provided the names of useful contacts. The corporations, and some military circles within Chile itself, expressed fears to Kissinger and the attorney general, John Mitchell, that Chile would become a Soviet client state. Nixon then ordered the CIA to try to thwart Allende's confirmation as President by the Chilean Congress. If Allende was confirmed, then the Chilean economy was to be made to "scream".

What evolved was a two-track approach. The first, Track I was overtly diplomatic and economic in character. The second, Track II, was ultra secret and involved plans for a military coup. Despite expenditure of \$250,000, Track I failed to prevent the confirmation of Allende's election and soon petered out. Track II also ran into serious difficulties, chief of which was the lack of any serious alternative to Allende. In addition, the commander of the Chilean armed forces, General Rene Schneider, was known to be a strong democrat who would firmly reject any military plotting against the new government and his influence would carry weight within the highest levels in the Chilean army.

Despite this, the U.S. military attache in Santiago and the Defense Intelligence Agency came up with the names of two army officers who would be helpful in organizing a coup: retired General Robert Viaux and General Camilo Valenzuela, commander of the Santiago garrison. Viaux began to make plans but soon realised that Schneider would have to be removed if there was to be any chance of success. Helms, however, had made it clear that assassination was out of the question so when Heckscher, the CIA station chief, cabled Langley that

Viaux intended to kidnap Schneider and his deputy, there was considerable alarm. The agency had given some small arms to the plotter, but revolvers and rifles are assassination, not coup weapons, and the dangers of being connected to a killing loomed large. Karamessines met Kissinger and Haig at the White House and it was decided to warn Viaux against any precipitate action.

The situation became dangerously confused when Valenzuela informed the CIA that he too was planning a coup, also beginning with the kidnapping of Schneider. Although Viaux and Valenzuela knew of each other's plans, neither was willing to collaborate with the other. On 19 October, six days before the Chilean Congress met to confirm Allende's election, Valenzuela made an unsuccessful attempt to kidnap Schneider. At this point the CIA tried to discourage the plotters. However, Viaux went ahead with his coup attempt on 22 October. Schneider was stopped on his way to work and was mortally wounded in the ensuing struggle. The following day Helms, after reviewing the singular lack of success of Track II, reported that "now only the Chileans themselves can manage a successful coup. The Chileans have been guided to a point where a military solution is at least open to them".

Track I and Track II continued the effort to subvert Allende's government. Between Allende's inauguration as President in November 1970 and his death in September 1973, the CIA spent \$8 million focused, the agency later acknowledged, on stimulating "the military coup groups into a strong unified move against the government" and gathering intelligence on Allende's plans in the event of a military uprising. If Allende was to be overthrown, the CIA was determined that Chileans should do it. Some of the lesson that Kim Roosevelt had tried to teach twenty years earlier had seeped through; the Bay of Pigs had finally shown Washington policymakers that direct U.S. involvement in coups was politically counterproductive. When the coup which finally toppled Allende took place in 1973, the agency was not involved although it knew the details of the plot and had encouraged the plotters.

The overthrow of Allende coincided with the growing furore over Watergate. The atmosphere of suspicion which raged over the activities of the Nixon administration also spread to the CIA whose connection to the coup plotters quickly became known. It mattered little that the agency had been against the operation from the start. The end result, as far as most commentators were concerned, was that one of the few countries in Latin America with a functioning democracy was delivered by the CIA into the hands of a military dictatorship that rapidly demonstrated great brutality.

## WATERGATE

The obsessive secrecy with which the Nixon White House had shrouded itself found its logical conclusion in the Watergate saga. Paranoia and intrigue had run riot and the result was a conspiracy, in parts resembling a farce, which gradually smothered the Nixon administration. The secrecy evaporated into the most public humiliation ever of a U.S. President.

Within hours of a break-in at the Democratic National headquarters in the Watergate building on 17 June, 1972, four and a half months before the Presidential election, Howard Osborn, head of the CIA's office of security, telephoned Helms at home and told him that a former CIA employee, James

McCord was one of the five men arrested, the other four were Cuban-American exiles from Miami who had had contact with the agency in the past. McCord had been a senior officer in Osborn's office until his retirement in 1970. Furthermore, Osborn continued, another ex-agency man, Howard Hunt, was also implicated in the break-in since his name was in the notebooks of two of the intruders.

On 19 June, Helms had his usual morning meeting with his deputy directors and they discussed the break-in and the involvement of McCord and Hunt. It was the latter's connection which caused particular anxiety because the CIA had helped him with equipment and disguises while he was working for Nixon.

In the summer of 1971 Hunt had been hired by John Ehrlichman, Nixon's special assistant for domestic affairs, as a consultant to the White House on security matters. At Ehrlichman's request, the deputy director of Central Intelligence, General Robert Cushman, agreed to see Hunt. Hunt asked the agency to give him an office and a monitored telephone system and answering service in New York. Cushman felt strongly that since this request probably involved domestic surveillance of U.S. citizens from which the agency was banned by law, he could not agree. Subsequent requests by Hunt for recording and camera equipment, and disguises were granted. After Daniel Ellsberg, an analyst with the Rand Corporation, in 1971 leaked The Pentagon Papers revealing the top level U.S. policy discussions during the Vietnam war, Hunt probably used a CIA-supplied disguise in his burglary of the office of Ellsberg's psychiatrist. Nixon had been determined that Ellsberg should be prosecuted, and Hunt was seeking evidence to damage Ellsberg's reputation. Ellsberg had been seeing a psychiatrist in an effort to overcome a writing block, so the burglary was of no use. A CIA psychiatric profile of Ellsberg - the first the agency ever did on a U.S. citizen - was also done.

Hunt's requests caused considerable unease at the agency. Thomas Karamessines even took Hunt out to lunch in an attempt to find out what was going on but Hunt just replied that he was engaged in "political work". Helms had vetoed any further assistance to Hunt, but it was obvious to everyone present on 19 June that the agency was facing a potentially enormous scandal. William Colby, now number three in the agency as executive director-comptroller, was put in charge of dealing with Watergate and protecting the agency. There was, Helms told him, one fundamental strategy: to distance the agency from the scandal as far as possible - "just stay away from the whole damn thing."

Nixon, however, had different ideas. On 20 June 1972, only three days after the burglary, he and Haldeman had fastened on the idea of getting the CIA to ask the FBI to drop their investigations on the grounds that the burglary was part of a CIA operation. J Edgar Hoover had just died and there was a new FBI director-designate, L Patrick Gray. Gray was happy to accept that the CIA was possibly involved in the break-in, an impression the White House was anxious to foster. Nixon and Haldeman also intended using a little blackmail on Helms by intimating that the Cuban connections of four of the Watergate burglars, not to mention Hunt's involvement in the Bay of Pigs while he was still in the agency, might lead to the exposure of some nasty CIA skeletons. On 23 June Haldeman summoned Helms and the deputy DCI Vernon Walters to the White House where he met them with Ehrlichman.

Haldeman asked Helms whether there was a CIA connection with Watergate. Helms said there was not. Haldeman next suggested that FBI investigations in Mexico were throwing up connections with the Bay of Pigs. Helms replied that he had no idea what Haldeman talking about, and said: "I had no interest in the Bay of Pigs that many years later, that everything in connection with that had been dealt with and liquidated as far as I was aware and I did not care what they ran into in connection with that."

Haldeman persisted. He wanted Walters to call Gray at the FBI and tell him that the Bureau's investigations into Watergate might interfere in CIA operations in Mexico and that therefore they should be "tapered off, reduced or something".

Helms agreed that Walters would speak to Gray. When Walters saw Gray, he confined himself to reminding the new FBI director that the CIA and the FBI had an understanding that if they ran into each other's agents they would notify each other. In the meantime Helms tried to find out whether there was some connection between the Watergate intruders and a CIA operation in Mexico or with the Bay of Pigs. There were not. On 26 June, John Dean, counsel to the President, summoned Walters to the White House for another meeting about Watergate. Walters was a Nixon appointee, the President's eyes and ears in the agency, or so it was hoped. But Walters held out no hope for Dean and told him in straight terms that the CIA would not intervene with the FBI and that there was no CIA operation in Mexico that might conflict with FBI investigations. He advised Dean to fire everyone connected with the break-in because otherwise "what is now a small conventional painful explosion will become a multi-megaton hydrogen bomb."

Gray had come to the same conclusion but, unlike Helms and Walters, he was still willing to try to protect Nixon and his staff from the consequences of being involved in the burglary and subsequent cover-up attempt. This was eventually his undoing and he was forced to resign from the FBI in April 1973 after it emerged that he had burned some of Howard Hunt's files containing cables forged by Hunt implicating Kennedy and the CIA in Diem's assassination.

In August, 1972, James McCord, awaiting trial for his part in the break-in, warned an old friend at the CIA office of security that pressure was being put on the defendants to admit that they had been part of a CIA operation. Dean had also passed on to Walters Howard Hunt's suggestion that the agency should pay off the burglars since they were indicating that they would take complete responsibility for the break-in if they were paid handsomely to do so. Walters pointed out that any such expenditures from secret funds would have to be reported to the Congressional oversight committees, a procedure Dean did not welcome. The CIA also had copies of photographs that Hunt had asked the agency to develop. They featured the Los Angeles building in which Daniel Ellsberg's psychiatrist had his offices but since the agency was unaware of Hunt's involvement in that burglary. This caused another alarm at the White House and in February, 1973, John Dean suggested to the CIA that it have the FBI return to the agency all the photographs and CIA memos concerning Watergate. "The only result", said Vernon Walters, "would be to leave an arrow in the Department of Justice files pointing directly at the CIA". Once again the agency said no to Dean.

Even the CIA's most hostile critics acknowledged that in the agency were the only people in town who said "No" to the Nixon White House. But for Helms

there was a price to pay. In November 1972, Nixon summoned him to Camp David and fired him. In his farewell speech delivered in the main entrance hall at Langley, he stressed that the agency had no involvement in Watergate. His people believed him but were, understandably, anxious about their future.