

## PART 4

## CASES OF FALSE DOCUMENTATION AND FALSE PRESS STORIES PREPARED BY THE CIA

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Now I want to give you examples of the CIA's falsification of documents and information for the purpose of connecting the Soviets or Cubans or some other socialist country with indigenous left and socialist movements. You should consider these examples as representative of hundreds of others undoubtedly concocted by the CIA over the years. Don't put these down as "old" cases because, as you will see, they had an impact in their day comparable to the impact that Washington hopes will come from the current documents about El Salvador.

### A. The Raid on the Cuban Embassy in Lima, Peru, 1960

The first case is from 1960 and is about the break in diplomatic relations between Peru and Cuba. The CIA's role is described in these extracts from my first book: *Inside the Company: CIA Diary*.

#### Quito — 30 December 1960

There seems now to be little doubt that the InterAmerican Conference will be postponed. Peru insists it won't attend because of Ecuador's intention of raising the Protocol issue; Venezuela and the Dominican Republic are still in a crisis over Trujillo's attempt to assassinate Betancourt; and U.S.-Cuban relations are getting still worse. We all know the invasion is coming but certainly not until Kennedy takes over.

Peru's break in relations with Cuba today hasn't helped prospects for the Conference. The break is partly a show of appreciation to the U.S. for the October ruling by the Guarantors on the Protocol, but it's also the result of a Lima station operation in November. The operation was a commando raid by Cuban exiles against the Cuban Embassy in Lima which included the capture of documents. The Lima station inserted among the authentic documents several that had been forged by TSD including a supposed list of persons in Peru who received payments from the Cuban Embassy totalling about 15,000 dollars monthly.

Another of the forged documents referred to a nonexistent campaign of the Cuban Embassy in Lima to promote the Ecuadorean position on the Rio Protocol. Because not many Peruvians believed the documents to be genuine, the Lima station had great difficulty in getting them publicized. However, a few days ago a Conservative deputy in the Peruvian Congress presented them for the record and yesterday they finally surfaced in the Lima press. Although the Cubans have protested that the documents are apocryphal, a recent defector from the Cuban Embassy in Lima — present during the raid and now working for the Agency — has "confirmed" that the TSD documents are genuine. The Conservative Peruvian government then used the documents as the pretext for breaking relations with Cuba.

### B. The Flores Case, Quito, Ecuador, 1963

The next extracts from *Inside the Company* describe an important case in which I myself concocted a false document. This operation had a huge impact and contributed to a military coup in Ecuador.

#### Quito — 14 April 1963

Each day, it seems, a new wave of rumors spreads *around the country* signaling the

imminent outbreak of guerrilla warfare and terrorism. Partly the rumors reflect our continuing propaganda campaign to focus attention on communism in order to provoke a serious crackdown by the government.

### Quito — 19 April 1963

Another important trip to wonder about — this time it's Antonio Flores Benitez, one of Echeverria's lieutenants, who left today for Cuba. What we can't figure out is why Echeverria would send Flores to Cuba when Araujo is there and Roura is in China.

### Quito — 24 May 1963

John Bacon, the Station Reports Officer, and I suggested to Dean that we prepare an incriminating document to be used against Antonio Flores Benitez — to be planted on Flores when he arrives at the airport. There's a chance, of course, that he'll come overland from Colombia or that he'll arrive in Guayaquil, but Dean likes the plan and asked us to go ahead. The document will appear to be Flores's and Echeverria's own report to the Cubans on the status of their organization and on their plans for armed action. We are describing what we know about the organization, filling in with imagination where necessary, on the basis of the information from the ECWHEAT telephone tap and reports from Cardenas and Vargas, our two best penetrations of the Echeverria group. We are emphasizing (for propaganda afterwards) Flores's penetration agents in the Ministry of Defense, Army communications, the presidential bodyguard and the presidential archives. We are also planning to mention relations with Araujo's group and Gonzalo Sono Mogro, who seems to be training a separate organization in explosives and weapons.

### Quito — 26 May 1963

It has been a busy weekend. Bacon and I finished the "Flores Report" yesterday and he took it out to Mike Burbano to put in final form, correct Spanish and proper commie jargon. He knows this usage best because he's the cutout for Cardenas and Vargas. No question but that we've got a really sensational and damaging document.

Bacon included in the report a general analysis of the Ecuadorean political scene with appropriate contempt for the Saad PCE leadership for its "reformist" tendencies. He infers that the Echeverria group has already received funds from Cuba and that this report is the justification for new funds. The date for commencing an all-out terrorism campaign will be late July (since we already have a report that the CTE plans to announce a general strike for that date). Bombing targets and guerrilla attacks will be set for the homes of police and military officers as well as key installations such as the water-works and the telephone and electric companies.

Burbano passed it back and I typed it this morning — it filled five sheets of flimsy blue copy paper. Then Dean came to the office and we agreed that Juan Sevilla, the Minister of the Treasury, would be better for getting it planted than Jaime del Hierro, the Minister of Government. I went to see Sevilla; he agreed immediately and said he'll use Carlos Rendon, the same secretary and customs inspector who nailed Roura. When I got back to the Embassy Dean was acting like a little boy. He had gone over to the "Favorita" to buy a tube of toothpaste and had spent three hours squeezing out the paste and cleaning the tube. Then he crumpled the papers, ground them a little with his shoe, folded them to fit into the tube and pronounced the report genuine beyond doubt. I took the tube, now with the report neatly stuffed inside, back over to Sevilla and tomorrow he will give it to Rendon who will plant it if possible. Rendon won't move from the airport until Flores arrives, and if he comes via Colombia or Guayaquil, we'll figure out some other way to get the document out. One way or another this one should really provoke a reaction.

### Quito — 2 June 1963

Flores is hooked and we've got another big case! Juan Sevilla and I were playing golf together this morning when a caddy came running out to call him to the telephone. We rushed into the clubhouse and sure enough it was Carlos Rendon, his personal

secretary, calling to say that Flores had arrived and that the plant had worked perfectly. Sevilla rushed straight to the airport and I went home to wait. Late in the afternoon he telephoned and when I went to his house he explained that Rendon had seen Flores arrive and had put the toothpaste tube up his sleeve. He let it fall out carefully while he was reviewing Flores's luggage, "found it" and began to examine it, finally opening it and "discovering" the concealed report.

Arriving with Flores was another well-known communist, Hugo Noboa, who was discovered to be carrying 1,400 dollars in cash in a secret pocket. This money, propaganda material, and phonograph records of revolutionary songs were confiscated along with the Flores report, and both Flores and Noboa were taken under arrest to the political security offices for questioning.

Now to get the publicity going.

### Quito — 3 June 1963

We're going to have to fight for this one. Only a small notice appeared in the press today on the Flores and Noboa arrests, and the only reference to the "Flores Report" was an allegation that microfilm had been found in his suitcase. Flores, according to this notice, is protesting that if any microfilm was found it was planted either in San Juan, Puerto Rico, where he was transit, or here in Quito.

I checked with Juan Sevilla and he told me that he thinks Arosemena is going to try to quash the whole case including the false document. This is why, according to Sevilla, Flores is still in custody of the political security office instead of the police investigations department under Major Pacifico de los Reyes. He added that the key figure is Jaime del Hierro, the Minister of Government and added that if I know del Hierro, I should confirm the importance of Flores and the document. (Neither Sevilla nor del Hierro knows that I am in a working relationship with the other.)

For most of the afternoon I've tried to get either del Hierro or Manuel Cordova, the Sub-Secretary of Government, by telephone. It's not like them to avoid me like this, and Dean is about to blow up because the report hasn't been surfaced.

### Quito — 4 June 1963

There's no doubt now that Arosemena has tried to cover up the case and protect Flores, but we're prying it loose almost by the hour. Sevilla threatened to resign if the case were suppressed and the rumors of a new Cabinet crisis were so strong yesterday and today that the Secretary-General of the Administration made a public denial of the crisis.

Del Hierro finally called me back today, and when we met at Cordova's house he gave me the "Flores Report" asking that I check it for authenticity because it is so grave. I couldn't simply give it a moment's look and pronounce it genuine so I took it back to the station. When I told Dean of this he went into a fury, stamped up and down and said I'd better get that report surfaced or else. He's really disgusted with del Hierro, whom he thinks is trying to delay making it public in order to protect the Liberal Party from embarrassment; the document, after all, is pretty damaging to the government, even though it is primarily aimed at exposing the Echeverria group.

A positive sign is that Flores has been passed from the political security office to the police, which places him directly under del Hierro. In his declaration Flores only said that he had been in Europe on a forty-five-day trip as a journalist (he writes for the leftist weekly *La Manana*) with no mention of travel to Cuba.

### Quito — 5 June 1963

Dean's fit of temper shows no signs of diminishing. This morning he demanded Jaime del Hierro's private telephone number at the ministry, which I gave him. He called del Hierro and told him angrily that of course the document is authentic and that every Ecuadorean should read it. Dean was careful to record this call on his dictaphone just in case del Hierro complains to the Ambassador.

Then I proposed to Dean that I give a copy of the document to Jorge Rivadeneira Araujo, the brother of Rodrigo Rivadeneira — the transcriber of the Flores telephone tap. Jorge has long participated in the clandestine printing operation, along with

his brothers, and is a writer for *El Comercio*, Quito's leading daily. We don't usually place propaganda through Jorge, but Dean agreed since it is the fastest way to put pressure on del Hierro to release the original document. Later I took a copy to Rodrigo which he is passing to Jorge who will show it to his editors at the newspaper. This may destroy my relationship with del Hierro and Cordova but Dean doesn't care - he doesn't think Arosemena and the Liberals can last much longer anyway.

### Quito — 6 June 1963

Our ploy against del Hierro worked like a charm. This morning about ten o'clock Cordova called me from the Embassy receptionist's desk and when I went down he took me out back to del Hierro who was waiting in his car. He said he urgently needed back the Flores document because the press had somehow got a copy and he would have to release the original later today. I rushed up for the document, returned it to del Hierro and told Dean who whooped for joy. Then I called Rodrigo Rivadeneira to alert his brother Jorge that the Ministry of Government would release the document later today. It may not be printed in today's evening newspapers but already the whole town is buzzing about it. . . .

Both Mario Cardenas and Luis Vargas report that Echeverria has been crushed psychologically by this blow. He fears that with the Roura arrest and now Flores he'll surely be reprimanded by the Saad leadership, possibly even expelled from the PCE. He has now gone into hiding and the agents are trying to find out where.

### Quito — 7 June 1963

Finally it's in print and the sensation is immense. Everything's included: description of Saad and the PCE Guayaquil leadership as "old bureaucrats full of bourgeois vices, faithful to the Moscow line and acting as a brake on revolution." Also: "We (the Echeverria group) are faithful to the experiences of the Cuban revolution and the necessity to prepare for armed insurrection." Araujo is described as having a good number of trained and armed teams and the Rivadeneira group is cited as possibly useful for "our" purposes. All the different critical government offices where Flores has his contacts are mentioned - including the Presidential Palace - and the date for commencing operations (urban terrorism and rural guerrillas) is given as late July to coincide with "our" urging of the CTE to call a general strike for that time.

As if this document weren't enough in itself, by sheer coincidence the CTE yesterday announced a general strike for late July. Our agents had reported that this announcement would come some time and we had included it in the Flores document. This announcement was carried in the press today, alongside the Flores document, as proof that the latter is genuine. . . .

### Quito — 5 July 1963

The chain of recent cases, particularly the Roura and Flores cases, has produced one of the results we wanted. At a special meeting of the PCE Central Committee the whole Pichincha Provincial Committee under Echeverria was dismissed, with Roura expelled from the party and Echeverria suspended. Already Jaime Galarza, one of Echeverria's lieutenants, has published an article suggesting that Pedro Saad, PCE Secretary-General, was behind the revelations in the Flores document and Roura's arrest, because such information could only come from highly placed party members.

The momentum of the last three months' campaign is having other effects. Most of our political-action agents, particularly the rightists in the ECACTOR project, are reporting improving disposition to a military rather than a Congressional move against Arosemena, what with the alarm and gravity of the current situation. At the Ambassador's reception yesterday, moreover, the politicians talked considerably of their surprise that communist preparations have progressed so far. Moreover, everyone seemed to be apprehensive over the spectre of Velasco's return and the probability that he'll win again next year. Some members of Congress are anxious to begin proceedings against Arosemena, but many realize the odds favor Arosemena and his patronage over a weak and divided Congress.

**Quito — 11 July 1963**

Arosemena's out and a four-man military junta is in.

It began last night at a banquet Arosemena gave for the President of the Grace Lines — W. R. Grace and Co. has large investments in Ecuador — to which high-ranking Ecuadorean military men were invited because the Grace Lines President is a retired U.S. Navy admiral. During the toasts Arosemena made favorable commentary about U.S. business operating in Latin America but he insulted our Ambassador by derisive reference to U.S. diplomatic representatives. In his drunkenness Arosemena also demonstrated incredible vulgarity and finally left the banquet and his guests.

This morning the chiefs of the military services decided at a meeting at the Ministry of Defense to replace Arosemena with a junta and about noon the Presidential Palace was surrounded by tanks and troops. I went down to the Hotel Majestic just in front of the Palace where Jorge Andino, a support agent and owner of the hotel, arranged a room where I could watch the action. I also monitored the military intelligence radio and reported by telephone and walkie-talkie back to the station where frequent progress reports on the *coup* were being fired off to headquarters and to Panama (for the military commands there who receive all Agency intelligence reporting in Latin America).

Several hours of tension passed as Arosemena, known to be armed, refused to receive a delegation from the new junta. He remained in the presidential living quarters while the junta members arrived and went to work in the presidential offices. Eventually Arosemena was disarmed by an aide and taken to the airport where he was placed on a military aircraft for Panama — the same place that Velasco was sent to less than two years ago. . . .

The junta is composed of the officers who commanded the Army, Air Force and Navy plus a colonel who was Secretary of the National Defense Council. The Navy captain is the junta chief but Colonel Marcos Gandara of the Defense Council is said unanimously to be the brains and main influence. No question that these men are anti-communist and will finally take the kind of action we want to disrupt the extreme left before they get their serious armed operations underway.

The "Flores" falsified document was only one of a number of similar cases that occurred during the period from January to June of 1963. What we were doing was preparing the ground for a military coup, and in fact the coup did occur the month after the Flores document surfaced. The President was thrown out, a military junta was established, and we began to work with the new military government. They immediately cracked down on the Communist Party and all left-wing groups. Hundreds of people were arrested — which was exactly what we wanted. I mention this Flores document but it is not the only one of that period. I can't go into all of it — my first book was 640 pages long — but this one was sensational.

**C. The Forged Waksman Letter, Montevideo, Uruguay, 1965**

The next extracts from *Inside the Company* are about a falsified letter. I was transferred in early 1964 from Ecuador to Uruguay, and in this case I am down in Montevideo in the CIA office in the U.S. Embassy. There was going to be a continent-wide meeting in Montevideo bringing together people from all over Latin America for the Seminar on Latin-American Social and Economic Integration — and it was sure to have an anti-American flavor.

A CIA station obtained a letter from the conference organizer in Montevideo named Daniel Waksman to an organization which he was inviting to come to the seminar. The Technical Services Division in Washington

reproduced the stationery with the exact letterhead and reproduced the signature at different places on different sheets of paper so that we could then type in our own letter and make it appear that it had been signed by Waksman.

An officer in the Montevideo station wrote a letter which he addressed to the Cultural Attache of the Soviet Embassy in Montevideo. The letter, with Waksman's signature, thanked the Soviets for all the support, assistance and guidance they had given in preparing and bringing off this big conference. Then, through journalists who were on our payroll, we got the letter published in the principal afternoon newspaper in Uruguay, *El Plata*. On December 13, 1965, enormous headlines appeared in the newspaper: "Documents for the break with Russia." Because we also had a campaign under way to force a break in relations between Uruguay and the Soviet Union.

The year before, Uruguay was forced to break relations with Cuba largely as a result of CIA operations. So now we were trying to force them to break relations with the Soviets — and I've got a number of other examples about that. But in the case of this letter, when it was published it caused a sensation. Naturally we established a link that didn't exist by the falsification of the letter — or, at least, a link we had no proof of. But the damage was already done because denials afterwards are never as effective as the first, well-prepared accusation.

#### Montevideo — 10 December 1965

Big news! Alberto Heber, the Blanco NCG Councillor who will take over as NCG President in March, today proposed that Uruguay break diplomatic relations with the Soviet Union because of Soviet interference in Uruguayan labor troubles. We don't have direct access to Heber but can check with Colonel Rodriguez. I have no means of seeing the Soviet chauffeur until next week to discover their reaction, but Conolly is concentrating on the AVENGEFUL tapes. Headquarters is delighted and confirms that we should support the break in any way we can. Already Lee Smith, the new covert-action operations officer, who recently replaced Alex Zeffer, is preparing a black letter linking the Soviet cultural attache with leftist student activities. Lee is using the stationery with the letterhead of the Seminar on Latin American Social and Economic Integration that the TSD prepared for us last month.

#### Montevideo — 11 December 1965

The black letter connecting the Soviet cultural attache with the Seminar on Social and Economic Integration will be put out in *El Plata*, the afternoon daily belonging to the Blanco faction led by the NCG President. The letter is a statement of appreciation for technical advice, and refers to instructions relating to the Seminar and brought by a colleague who recently returned to Montevideo. Thanks are also given for "other assistance." Although the letter is vague, Soviet financing and control of the Seminar is easily inferred. The forged signature is that of Daniel Waksman, the Seminar Secretary for Foreign Relations.

#### Montevideo — 13 December 1965

Somewhat anti-climactic but useful, our black-letter operation against the FEUU and the Soviet cultural attache caused a sensation when it was published by *El Plata* this afternoon. Banner headlines announce "Documents for the Break with Russia" and similar treatment will be given in tomorrow morning's papers. Denials from Daniel Waksman, the FEUU leader to whom the letter is attributed, were immediate,

but they will be given scant coverage except in the extreme-leftist press. AVBUZZ-1 has arranged for Alberto Roca, publisher of the station-financed student newspaper *Combate*, to take responsibility for the black letter in order to relieve *El Plata* of liability.

Through AVBUZZ-1 we'll place new propaganda, in the form of editorial comment, using the unions' "capitulation" to avoid the break with the Soviets as proof of Soviet influence over the unions (although in fact the government conceded quite a lot more than the unions).

#### D. The Falsified Documents Connecting the Uruguayan Trade Unions with the Soviet Embassy, Montevideo, 1965-1966

The next extracts from *Inside the Company* describe an operation in Uruguay wherein we falsified documents in order to "prove" that the Soviet Embassy was directing a continuous series of strikes by the Uruguayan labor movement in 1965. We falsified these documents to justify a break in diplomatic relations.

This was a 19-page report which purported to prove that the Soviet Union, that is, the Soviet Embassy, was organizing and giving all the orders for a long and very disruptive series of strikes occurring in Uruguay. The strikes in fact were occurring because of economic conditions — inflation, etc. We wanted to use our falsified documents with the President and with the Minister of the Interior, with whom I was working, to show a Soviet hand behind the strikes. As it turned out, the strikes subsided before a break in diplomatic relations, but the government used these and others we falsified over the coming months to justify expulsions. From December 1965 to December 1966, six Soviets, three North Koreans, two East Germans and one Czechoslovakian were expelled — all because of our false documents. As a matter of fact, I also have here press material taken from Uruguayan publications at the time describing this whole question of our documentation and the expulsions of the Soviets and others from Uruguay.

#### Montevideo — 11 December 1965

We have worked all day preparing a report for NCG Councillor Alberto Heber that will justify both a break in diplomatic relations with the Soviets and the outlawing of the PCU. We began the project last night when John Cassidy, who replaced O'Grady as Deputy Chief of Station, got an urgent call from one of his contacts in the Uruguayan military intelligence service. They had been asked by Heber earlier yesterday for a report on the Soviets, but since they had nothing, they called on the station for assistance.

This morning all the station officers met to discuss the problems of trying to write the Heber report. After we decided to write it on a crash basis, Conolly chose the names of four Russians to be in charge of their labor operations, and then went through his files to find concrete information to give weight to this fantasy report. Similarly Riefe selected certain key CNT and government union leaders as the Uruguayan counterparts of the Soviets, together with appropriate true background information that could be sprinkled into the report, such as trips by PCU leaders to Prague and Moscow in recent months. Cassidy, Conolly, Riefe and I then wrote the final version which Cassidy and I translated into Spanish. Tonight Cassidy took it out to AVBUZZ-1 for correction and improvement of the Spanish, and tomorrow he'll turn it over to the military intelligence service (cryptonym AVBALSAs). For a one-day job the twenty-page report is not bad. Certainly it includes enough information that can be confirmed to make the entire report appear plausible.

We prepared this report with media operations in mind, apart from justifying

the break with the Soviets and outlawing the PCU. Heber has already said publicly that he has strong evidence to support the break, though without the details which he hasn't yet got, but if the break is not made we can publish the report anyway and attribute it to Heber — he is unlikely to deny it. In that case it will cause a sensation and prepare the way for the later decisions we want, and also provide material for putting to the media by other stations, such as Buenos Aires and Rio de Janeiro. According to Heber, the Blanco NCG Councillors will meet tomorrow (Sunday) to decide on the break, and formal NCG action will follow on Monday or Tuesday. The Minister of Defense, meanwhile, has suggested outlawing the PCU and closing propaganda outlets such as *El Popular*.

### Montevideo — 12 December 1965

This morning before Cassidy turned over the Heber report to military intelligence, Horton decided first to show it to Colonel Ventura Rodriguez, the Chief of Police, as the top military officer in public security. We took it over to Rodriguez's office, where we sat around the conference table with Rodriguez and Colonel Roberto Ramirez, Chief of the Guardia Metropolitana, who was listening to a soccer game on his little transistor radio.

As Rodriguez read the report, I began to hear a strange low sound which, as it gradually became louder, I recognized as the moan of a human voice. I thought it might be a street vendor trying to sell something, until Rodriguez told Ramirez to turn up the radio. The moaning grew in intensity, turning into screams, while several more times Rodriguez told Ramirez to turn up the soccer game. By then I knew we were listening to someone being tortured in the rooms next to the AVENGEFUL listening post above Rodriguez's office. Rodriguez at last finished reading the report, told us he thought it would be effective and Horton and I headed back for the Embassy.

Back at the Embassy the Ambassador told Horton that the NCG President had just this morning asked him if he had any information that might be used to justify breaking relations with the Soviets. Horton showed him the Heber report and the Ambassador suggested he should give it to Washington Beltran, the NCG President. The Ambassador took the original out to Beltran's house while a copy went to the military intelligence service, with the warning that if it were passed to Heber he should be advised that Beltran already has a copy.

Giving the report to the Ambassador for Beltran has certain advantages but Heber may be reluctant to use it now. Too bad, because Heber is the councillor who convinced the others to reinstate the state of siege, the one who suggested the break, and will moreover be the NCG President in less than three months' time.

### Montevideo — 13 December 1965

The impasse is broken and the break with the Soviets is off for the time being. Last night the government and bank unions reached agreement that the firings of previous months would be canceled and that sanctions against strikers will be spread out over many months as painlessly as possible. The agreement was followed last night by the release of all the bank workers who had been arrested late last week. Early this morning similar agreements were reached with central administration unions. Communist and other militant leaders of the CNT had no choice, as the government unions accepted these solutions, but to cancel the general strike scheduled for tomorrow.

With the general strike broken and agreements with unions being made, the government has dropped the threat of breaking relations with the Soviets. The report prepared for Heber will not be brought out by the government for the time being — we can do so later. The state of siege will continue until firm agreements with all the government unions are reached. The leftist daily *Epoca* is still closed for inflammatory propaganda, and almost 30 are still under arrest.

### Montevideo — 20 January 1966

Vargas, the Director of Immigration, is very excited about promoting action against communist bloc diplomatic and commercial missions in Montevideo. He showed

me the Heber report of last month, without telling me how he got it — probably from Heber himself, and asked if I would use it and any other information we have in order to justify the expulsion of key Soviets instead of a break in diplomatic relations. He and Storage (and presumably Heber) now want us to prepare a report naming whichever Soviets we want as those responsible for meddling in Uruguayan labor and student organizations. At the appropriate moment the report will be used for declaring those Soviets *persona non grata*. Conolly, Riefe, Cassidy and I have already started on this new report. We will have to work fast to take advantage of the resentment caused by the Rashidov speech and the Tri-Continental and of Heber's clear intention to use expulsions and the threat of expulsions as a tool against the unions. Vargas is also going to begin action against the non-diplomatic personnel of communist missions, especially those who are here as officials of the commercial missions, which would include Soviets, Czechs, East Germans and the North Koreans. He's going to start with the North Koreans. He has discovered several ways in which he is going to prepare expulsions of Soviet bloc diplomatic and commercial officers. These expulsions will be mainly on technicalities he has found in the 1947 immigration law that forbids entry to persons who advocate the violent overthrow of the government, on irregularities in the issue of visas, and on interpretations of the status of Soviet bloc commercial officers. Little by little he hopes to cut down the official communist representation here by expelling the Koreans, East Germans and certain Czechs and Soviets — none of whom have diplomatic status — and by the *persona non grata* procedure where diplomatic officials are concerned.

#### Montevideo — 2 February 1966

Expulsion of the North Koreans was approved yesterday by Storage and will be ordered by Vargas in a matter of hours. . . .

#### Montevideo — 4 February 1966

The NCG President has raised suddenly the specter of a move against the Soviet mission again. Today he told newsmen at Government House that the Minister of the Interior, Storage, is preparing a new report on infiltration by communist diplomats in Uruguayan labor and student organizations. He also said that from what his own sources tell him, and from what Storage told him orally, there can be no doubt of illegal intervention by communist diplomats. He added that Storage's report will be presented to the NCG next week and will lead to an announcement of great moment.

The "Storage report" is the one we wrote for Storage and Vargas two weeks ago to justify the expulsion of eight Soviet and two Czech diplomats. This report is already in Storage's hands and if all goes well we should have some sensational expulsions next week. The Soviets were selected very carefully in order to produce the desired effects. Both Khalturin, the KGB chief, and Borisov, the Consul and a KGB officer, were left off the expulsion list, so that we can continue to monitor the liaison between Khalturin and Borisova. We included on the list, however, Khalturin's most effective and hard-working subordinates, including the cultural attache whom we made trouble for in the spurious Waksman letter last year, so that Khalturin will have to take on an even greater work load. Reports from Salgueros and from the AVBLIMP observation post reveal that Khalturin is working extremely long hours and appears to be under severe strain. By forcing still more work on him we might trigger some kind of breakdown. We also included the Embassy *zavhoz* (administrative officer) because his departure will cause irritating problems in the Soviet mission's housekeeping function. I added the two Czechs in order to demonstrate KGB use of satellite diplomats for their own operations and in order to get rid of the most active Czech intelligence officers.

#### Montevideo — 11 February 1966

The North Koreans are out but the Soviet expulsion is postponed. Vargas couldn't get the Koreans to go to his office to be advised, so he sent police to bring them in by force. The three officials and their families left today. Expulsion of the Soviets is postponed for the time being because Washington Beltran, the outgoing NCG President,

wants Alberto Heber, who comes in as NCG President on 1 March, to make the expulsion. Storce's presentation of our report to the NCG is also postponed but Vargas assured me that action will be taken sooner or later. At the moment he is going to proceed with progressive harassment and expulsion – if politically acceptable – of the East German trade mission, the Czech commercial office and the Soviet commercial office. Because officials of these offices haven't got diplomatic status, Vargas can assert control without interference from the Foreign Ministry. He is also proceeding on the new decree granting the Ministry of the Interior and the Immigration Department equal voice with the Foreign Ministry for approval of all visas, diplomatic included, for communist country nationals.

#### Washington, D.C. — 7 October 1966

This morning at the Uruguay desk there was a celebration. The government at last expelled some Soviets – four left yesterday – and now the Montevideo press is speculating on whether the NCG will cancel a recent invitation to Gromyko to visit Uruguay. The expulsions are the result of Luis Vargas's persistence – when I said farewell he told me that when the government unions started agitating again before the elections, the Soviets would suffer. (Before leaving Montevideo I wrote a memorandum recommending that Vargas be given a tourist trip to the U.S. as a reward if he finally got any thrown out, and it'll be small compensation since I never paid him a salary.)

The expulsion order was based on the same false report we prepared for Storce last January, with minor updating, and it accuses the Soviets of meddling in Uruguayan labor, cultural and student affairs. Only four Soviets are being expelled right now because the cultural attache and one other on the original list are on home leave in Moscow and their visa renewals can be stopped by Vargas. The other two not included in the expulsion are commercial officers and they will be expelled, according to Vargas, as soon as these four with diplomatic status leave.

The Montevideo station and others will be using the expulsions for a new media campaign against the Soviets. Our report for Storce ties the most recent wave of strikes to the PCU Congress in August and to the Soviet participation therein, together with the usual allegations of Soviet-directed subversion through the KGB, GRU and local communist parties. Proof of the authenticity of the subversion plan outlined in the report, according to Storce, are the eleven different strikes occurring in Uruguay at this moment. The Soviets were given forty-eight hours to leave Uruguay. Recently, too, the decree expelling the two remaining East Germans, Vogler and Kuhne, was approved. They were given thirty days to clear out. The gambit on Soviet expulsions may have worked against the unions last year but not this time.

#### Washington, D.C. — 1 December 1966

In last Sunday's elections in Uruguay the Blanco-Colorado constitutional-reform pact was adopted, and the Colorados won the presidency – it'll be General Gestido who resigned from the NCG last April to campaign for reform. . . . Yesterday Heber decided to take a two-month vacation – his term as NCG President has only three months left – and Luis Vargas resigned as Director of Immigration.

It is unlikely that any additional action against the Soviets, East Germans or others will be taken, but the record for expulsions during the eleven months since we started working with Storce and Vargas is impressive: six Soviets, three North Koreans, two East Germans, and one Czech.

#### E. The CIA's Argentine Newsreel

The next extract is from the script of the film *On Company Business*. Joseph Burkholder Smith, a former CIA officer, describes how the CIA was running a newsreel service in Argentina in which false information was inserted. Smith was in the CIA from 1951 until 1973, and he wrote a memoir: *Portrait of a Cold Warrior*, G. P. Putnam's Sons, New York, 1976.

Joseph Burkholder Smith: "Well, what we did in that instance was to take stories, news stories, and world events, Russian activities or U.S. activities regarding Cuba, and Cuban activities in Latin America, and we would twist the story. So that it would have a context, perhaps, or sometimes an explicit statement of *information which was really not true*, but supported the position that we had. This was how the news was presented. We worked in a commentary that presented the slant we wanted."

#### F. The False Report of Rapes by Cuban Soldiers in Angola, 1975-1976

Next is an extract from a filmed interview with John Stockwell, also from *On Company Business*. Stockwell was the Headquarters Chief of the CIA's intervention in Angola in 1975 and 1976 to support the Holden Roberto and the Savimbi forces against the MPLA. Stockwell resigned from the CIA in 1976 and wrote *In Search of Enemies* (W. W. Norton, New York, 1978), a book exposing the Angolan intervention in great detail. In the film interview he tells the story of the CIA's Lusaka Station fabricating a story against Cuban soldiers in Angola.

John Stockwell: "This imaginative station chief in Lusaka put out a story in which he reported a fictitious scene in which Cuban soldiers had raped some 15-year-old Ovimbundu maidens, and this was the perfect touch. Sheer nonsense! Very much contradictory of what the Cubans were doing and the way they were conducting themselves in Angola. And then he kept that going for three months. He had these same Cuban soldiers captured in a battle. He had them put on trial before a tribunal of the same women who had been raped. And then, eventually, executed. With photographs, mind you, of the trial and photographs of the execution, of these young women who had been raped killing the Cubans who had raped them."

#### G. Falsification of Documents in the White House

Lest one might think that the CIA has a monopoly on falsifying documents, we should not forget the work of E. Howard Hunt when he was employed at the White House during the Nixon administration. In his book, *Under Cover — The Memoirs of an American Secret Agent* (Berkley Publishing Corporation, New York, 1974), Hunt describes how he fabricated documents that he made appear to be telegrams from the State Department in Washington to the U.S. Embassy in Saigon. The documents implicated the Kennedy administration in the assassination of the Vietnamese President, Ngo Dinh Diem, in 1963. His purpose was to discredit Senator Edward Kennedy, who was thought at that time to be the principal danger to Nixon's re-election. Hunt eventually surfaced the false information through an American network television documentary on the Vietnam war.

#### H. The Venezuelan Arms Cache, 1963-1964

There is another interesting case — and I think you will find it just as interesting as I do. Some of you might remember a cache of guerrilla arms that was discovered on the coast of Venezuela in 1963 and supposedly traced to Cuba. I never knew for sure, but I always strongly suspected that the CIA had planted this arms cache because we, in Ecuador, were discussing doing the same thing. The idea was to get Czech arms, or Belgian arms, and plant them in the country, then have them discovered and traced back to Cuba. This actually happened in Venezuela in the fall of 1963. Venezuel

then brought it before the Organization of American States, and in 1964 the OAS voted that all of its members should break diplomatic and commercial relations with Cuba. Until this arms case, the U.S. government, and especially the CIA, had not been totally effective in isolating Cuba. In the end, after the arms cache case ran its course, the only Latin American country that did not break relations with Cuba was Mexico. We had considerable success against Cuba in the early 1960's, and I mention the arms cache because, although it is not about false documents, it involves falsification of events.

I am not the only one who believed that the CIA planted the arms cache. The following is another extract from *On Company Business* in which Joseph Smith, formerly the CIA's Venezuelan desk officer, describes his similar belief. The same extract goes on to show Dean Rusk, then Secretary of State, expressing satisfaction before news cameras that the Venezuelan resolution against Cuba had been adopted by the OAS.

Joseph Burkholder Smith: "While I was in Argentina the most interesting thing we had to do regarding Castro was to drum up support on the part of the Argentine government for the Venezuelan charge that Castro was supplying guerrillas in Venezuela with arms. The arms cache was found in November, 1963. I had served, before going to Argentina, as Venezuela desk officer, and I was apprised that one of the things that was developed as proof of, was a series of statements by one man who had been captured, back in the time when I was a desk officer. And somehow these arms which are supposed to be delivered two years later, are supposed to be tied in with an urban guerrilla plot that he confessed to. And knowing what our directives were, and what we had to do to try to convince the Argentines of this, I have some suspicion about the reality of this arms stash as a Cuban operation. I think it might all have been planted by us."

Dean Rusk, U.S. Secretary of State, 1964: "What do I say to our brothers in Venezuela? We are with you in full solidarity and will act with you to ensure the safety of your democracy."

Smith: "Venezuela did get its resolution condemning Castro passed by the OAS and Castro was ostracized economically and politically in the rest of the hemisphere. And this, of course, was that major objective of Kennedy's policy toward Cuba."

Rusk: "The hemisphere is now solid with respect to Cuba. Nineteen of the twenty nations have broken diplomatic relations. The foreign ministers of the hemisphere have now applied all of the, what might be called the peaceful remedies under the Rio treaty. Castro's course is not the path of the future."

That is all I brought today in terms of false documents and false cases. Nevertheless these show that the CIA has produced false documents as a matter of standard methodology for the past 25 years, and the Iranian documents clearly show that they are still doing it. I, for one, would be very skeptical of current documents relating to El Salvador, and the supposed assistance from Vietnam, Ethiopia, the Soviet Union and Cuba, until they are proven to be legitimate.

Because of the CIA's history, I think the onus of proof is on the government. You will see in the *New York Times* article by de Onis that the main document is believed to be a report by the General Secretary of the Salvadoran Communist Party, whose name is Handal, on a trip to all those different countries.

Handal, even though he is a Salvadoran guerrilla leader and living in