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The Use of Covert Paramilitary Activity as a Policy Tool: An Analysis of Operations Conducted by the United States Central Intelligence Agency, 1949-1951

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This evaluation of covert paramilitary operations conducted by the CIA in the very early years of the Cold War period is a combination of pure cost-benefit analysis and a more subjective evaluation of return on investment. Included is a collection of brief case studies of OSS operations during World War II, for they established the precedence for conducting similar activity during the Cold War. There were significant differences, however, between the CIA's "operating environment" in the late 1940's and early 1950's and the wartime situation OSS officers operated within several years earlier. Success of post-war operations depended to a large degree on the ability of US policy officials and CIA paramilitary specialists to recognize the changes and adjust accordingly. The consensus among historians with an interest in covert operations is that paramilitary activity conducted by the US Central Intelligence Agency (CIA) during the Cold War did not accomplish the objectives set forth for those operations; was not in line with the prevailing national strategy or national policy; and, made no significant contributions to national security. The fault in these generalizations is that critics too often failed to adequately consider the context in which the activity occurred, especially during the period immediately following the end of World War II. Americans at the outset of the Cold War believed that Stalin was preparing for a military invasion of Western Europe. The Communists seemed intent on spreading their ideology throughout the continent, while the "Western" European nations struggled to recover economically from the recent war with Germany. Western Europe was vulnerable to Soviet aggression, and the security of Western Europe was of vital interest to the United States.

It was in this strategic environment that President Truman authorized the development of a covert paramilitary organization within the newly created Central Intelligence Agency. US policy officials recognized the drastic consequences of a war between the US and the Soviet Union, and sought a means of countering the Russians while avoiding direct confrontation between the two remaining global superpowers. In theory, the role of the perpetrator remains concealed in a covert operation. Through covert paramilitary action, the US could pursue its policy aims incognito. Covert paramilitary action also provided an opportunity for offensive action--the chance to "roll back" the iron curtain--rather than rely exclusively on the defensive strategy of containment. Additionally, some US policy officials saw covert paramilitary action as a means of pursuing policy aims "on the cheap." The concept of training and supplying a handful of guerrilla fighters to operate in Communist-controlled territory and keep the Soviets off balance seemed a most efficient way of countering Moscow's aggression.

Conclusions:

From a pure cost-benefit perspective, covert paramilitary action conducted by the CIA

between the end of World War II and the Korean conflict was a complete failure. CIA "project" officers were not restricted in terms of funds available, in fact often were urged to spend more than amounts requested. There was little in the way of accounting for expenditures within the Agency, and the use of unvouchered funds eliminated the requirement to justify project costs to Congress. Project officers, senior CIA officials, and policy officials in the State Department and Department of Defense allowed numerous operations to continue beyond reasonable limits, convinced that operatives could accomplish objectives despite overwhelming evidence to the contrary. US covert paramilitary action during this period was, however, worth the effort.

Prevailing US national security strategy necessitated a reaction to counter Soviet aggression, yet national policy stressed avoidance of direct confrontation. Administration officials faced with this dilemma in the early Cold War years considered action--any action--better than inaction. Cost was not a factor, and US policy officials felt that the need to maintain some form of pressure on the Communists outweighed the risk of fallout from failed covert activity. Although individual covert paramilitary operations failed to achieve objectives, the cumulative effect was constant pressure on the Communist perimeter. These operations provided the CIA with a wealth of lessons learned, which paramilitary officers applied in subsequent successful paramilitary operations during the 1950's such as Guatemala and Iran. THIS IS AN OFFICIAL DOCUMENT OF THE MARINE CORPS COMMAND AND STAFF COLLEGE. QUOTATION FROM, ABSTRACTION FROM, OR REPRODUCTION OF ALL OR ANY PART OF THIS DOCUMENT IS PERMITTED PROVIDED PROPER ACKNOWLEDGMENT IS MADE, INCLUDING THE AUTHOR'S NAME, PAPER TITLE, AND THE STATEMENT: "WRITTEN IN FULFILLMENT OF A REQUIREMENT FOR THE MARINE CORPS COMMAND AND STAFF COLLEGE."

THE OPINIONS AND CONCLUSIONS EXPRESSED HEREIN ARE THOSE OF THE INDIVIDUAL STUDENT AUTHOR AND DO NOT NECESSARILY REPRESENT THE VIEWS OF EITHER THE MARINE CORPS COMMAND AND STAFF COLLEGE OR ANY OTHER GOVERNMENTAL AGENCY. Harry Rositzke, The CIA's Secret Operations

Covert paramilitary operations have historically claimed more than their fair share of public attention. President Thomas Jefferson in 1805 ordered a paramilitary operation to unseat the ruler of the country now known as Libya; the phrase in the Marines' Hymn "to the shores of Tripoli" serves as a constant reminder of that noteworthy operation. Governments, including the US, have used covert operations to accomplish that which could not be attained through diplomacy. Though long in lineage, covert paramilitary activity has its genesis as a policy tool of the US in the latter stages of World War II and the immediate post-war period.

This inquiry is an attempt to analyze the post-World War II evolution of US covert paramilitary operations from two different perspectives. First is a pure cost-benefit analysis of the major operations conducted by the CIA between the end of World War II and the Korean conflict. Was the return worth the investment? What were the objectives of each operation, and were they achieved? By objectively examining various US covert paramilitary operations and drawing conclusions from the cumulative results of those operations I intend to answer these two key questions.

The second perspective is a subjective analysis, more qualitative in nature and requiring a broader scope of reasoning than the cost-benefit analysis. For this portion of the examination I have attempted to look beyond the immediate, short-term objectives and weigh the merits of individual operations based upon their contribution to national security and conformance to the prevailing national strategy. Context is germane to this portion of the analysis, in that we cannot condemn an activity without considering the options available at the time (inactivity, for example).

From a pure cost-benefit analysis point of view, covert paramilitary operations conducted by the US between the end of World War II and the Korean conflict were a dismal failure. Manpower and money were allocated in tremendous amounts to the various operations, yet in every case the objectives of creating and expanding a viable anti-Communist resistance effort were not met. Soviet counterintelligence agents penetrated virtually at will the CIA-sponsored resistance organizations and émigré groups. Competing faction leaders used CIA-provided equipment and training to further their own cause and consolidate their own political power base, rather than direct their efforts against the Communists. The CIA allowed most covert paramilitary operations to continue far beyond reason, unwilling to admit the futility of a "project"(1) despite overwhelming evidence that stated objectives were no longer achievable. US covert paramilitary operations in the early Cold War period were not, however, a "total" failure in the sense that there was no return on our investment. The US was doing something, which in the early years of the Cold War was better than the alternative. By experimenting, the US learned the limits of the utility of covert action. Used alone, covert paramilitary action rarely accomplished significant objectives; when conducted simultaneously and in close coordination with various other covert activities and diplomatic action, chances of success increased dramatically. Operatives learned their trade, honing skills and refining techniques that would prove more effective later in the 1950's in countries such as Guatemala and Iran. Although not intended, the visibility of the various programs demonstrated US resolve to Moscow, indicating that the West would not stand idly by while Stalin sought to expand his empire.

This paper consists of two distinct sets of case studies, separated by a discussion of the legislative and national command authority action that directly impacted US capability and authority to conduct covert paramilitary activity. The first portion of this inquiry contains an analysis of several of the more significant covert paramilitary operations conducted by the US during World War II. These abbreviated case studies provide a basis for comparison when examining the post-war US covert paramilitary action case studies contained in the latter portion of this paper. The reader should recognize the significant changes in the strategic geography and operating environment following the end of World War II, and the impact of those changes on US covert paramilitary operations. The fact that these changes were either not recognized or simply ignored by US intelligence and foreign policy officials in the immediate post-war period perhaps had more effect on operational results than any other single contributing factor. Between the two sets of case studies is a discussion of several key presidential and National Security Council (NSC) directives passed during the immediate post-war period relevant to the re-creation within the CIA of a covert paramilitary capability.

This inquiry required a combination of primary and secondary source documents, although countless documents relative the topic and period remain classified. Several former OSS and CIA officers directly responsible for the planning and execution of the paramilitary operations examined were generous in allowing personal interviews for this project. Their keen insights and first-hand knowledge of operational details were invaluable in my efforts to "see the whole picture."

In retrospect, the record of CIA's post-war covert paramilitary operations is considered by most historians to be "one of almost uniform failure."(2) Historians so quick to categorize US post-war covert paramilitary operations as failures too often have failed to adequately consider the critical importance of context in their analyses. The threat of Soviet military forces driving west across Europe was real to US officials and the public at large by the late 1940's. Embassy reports, reports from military officials in Europe, and CIA threat assessments verified Stalin's capability to launch such an offensive. The iron curtain had proven virtually impenetrable, preventing Western intelligence agencies from collecting within the Soviet block to assess Stalin's intent.

The prevailing attitude among American officials by the late 1940's that doing something is better than doing nothing is somewhat more understandable when we consider the circumstances--or "zeitgeist"-- of the time.

Left unchecked, there seemed no limits to the expansion of Communism across Europe. The efficiency of Soviet subjugation of indigents in the Baltics, the Balkans, and the Ukraine lent credence to the argument that the remaining free populace of Europe was in jeopardy of suffering a similar fate, powerless to offer any significant resistance to Stalin's apparent appetite for an enlarged Soviet state. In retrospect, we can legitimately fault US policy makers for not adequately considering the ramifications and long-term impact of covert paramilitary operations. We must acknowledge, however, that these activities gave the US an opportunity and an "acceptable" means to act at a time when action was deemed necessary. The void of intelligence on the enemy made it impossible for US policy officials to accurately predict results, so why not try covert paramilitary action? The dilemma in judging the merits of US covert paramilitary action in the early Cold War period is deciding whether to accept these arguments as justification for such activity, or dismiss them as mere rationalization.

As early as 1946 President Truman, US military strategists, and most intelligence analysts "had reluctantly concluded that recent actions of the Soviet Union endangered the security of the United States."⁽³⁾ Planners recognized early on the need to avoid direct military confrontation between the US and the USSR. Open conflict between the two remaining global superpowers, in the absence of (external) constraint, would logically expand to nothing less than total war. Confirmation by the US in 1949 that the Soviets had developed a nuclear capability transformed overnight the consequences of unlimited war between the US and the USSR.

During this post-war period, while the Soviets were building their conventional military capability and developing a nuclear capability, US national focus had shifted to economic stabilization and growth. This reprioritization had led to dramatic reductions in US conventional military forces--maintaining a large standing army in times of peace has always been difficult to justify. This left national security strategists with the dilemma of finding the proper means to counter a growing strategic threat, without having the deterrent leverage of a credible conventional military response capability. Faced with this dilemma, policy-makers in Washington frantically searched for low-cost, low-risk options to deal with the evolving Communist threat.

The Central Intelligence Agency (CIA) attempted to recreate in the post-war period a capability that seemed to satisfy this requirement. Covert paramilitary operations, in fact, seemed ideally suited to the situation. Compared to maintaining a large standing military force, the cost of conducting paramilitary operations would be negligible. Properly conducted, covert operations would conceal the role of the US government, minimizing the possibility of direct confrontation with the Communists. Within the framework of the defensive doctrine of containment, covert paramilitary activity offered an offensive potential to "roll back," rather than simply prevent the spread of Communism. Covert paramilitary operations, a capability which the OSS during World War II had proven could produce significant results for a relatively small investment, thus got a new lease on life.

In the transition from World War II to the Cold War, however, the "operating environment" had changed. The target was no longer simply a military force, as it had been during the war. The new target was an ideology, based on the fundamental concept of political indoctrination of the populace. In wartime, the assurance of pending Allied conventional military operations to expel Axis occupation armies provided the necessary degree of motivation for the various resistance groups. By the late 1940's the Communists were firmly entrenched in Soviet-controlled territories; it was clear to those in the CIA with experience in partisan operations that unseating the

Communists in those areas would not be a simple affair. This meant that resistance efforts in the Cold War period would be long-term operations, making it difficult to sustain morale among resistance members.

Most of the CIA, State, and Defense Department analysts recognized the changed environment. Few, however, made the necessary adjustments in planning considerations and operating procedures to account for the changes. According to former DCI William Colby, no one in the CIA in the late 1940's considered that the "model we were using of the European resistance against the Nazis might not be adequate in the face of a totalitarian threat that sought to enlist and not merely subjugate the peoples it overran."(4)

Within the CIA, the tendency among operators was to rely on those techniques that had worked so well for the OSS just a few years earlier. State and Defense Department officials urged the Agency to take action--any action--without realizing the political and diplomatic implications of the covert paramilitary operations proposed. Given that the modus operandi of CIA's paramilitary operatives were not well suited to the post-war situation, and that military and diplomatic officials enthusiastically promoted means and ways without considering ends, the results are not altogether surprising. To understand where and why the system broke down we must trace the roots of post-war CIA paramilitary techniques and procedures to their source--the Office of Strategic Services.

THE OSS PRECEDENT

A role for paramilitary operations in World War II

President Franklin D. Roosevelt created the Office of Coordinator of Information, the United States' first independent intelligence organization, by his presidential order of 11 July 1941. General William J. Donovan, appointed Coordinator Of Information (COI) by Roosevelt, had considered the subject of special operations as early as 10 October 1941.(5)

Donovan sent one officer to England in November 1941 to study the organization, training, and operational methods of the British intelligence organization SOE. Donovan established a special operations branch--SA/G--to organize and execute morale and physical subversion, including sabotage and guerrilla warfare. The primary function of SA/G was unorthodox warfare in support of military operations. In a 22 December memo to the President, Donovan identified the two types of guerrilla warfare missions SA/G would pursue: (1) establishment and support of small bands of local origin under definite leaders, and (2) the formation in the United States of guerrilla forces military in nature.(6) All paramilitary activities pursued by the United States Government over the following 50 years fall into one of these two basic categories identified by Donovan in 1941.

The administration and organization of SA/G was along military lines and its first personnel were drawn from the armed services, principally from the Army. Paramilitary training for SA/G recruits focused on infiltration techniques such as parachuting and maritime (surface craft and submarine) insertion and the skills necessary to organize and influence locally-recruited dissidents. Demolitions, weapons, close combat, silent killing, and industrial sabotage training, as well as instruction on coordinating supply efforts to local resistance groups rounded out the training syllabus.

The Department of Interior secured the use of four training areas near Quantico, Virginia and Catoctin, Maryland for the duration of the war for Donovan's use. These training areas were of sufficient size (nearly 20,000 total acres) to permit for their envisioned use in training larger militarized guerrilla units in the United States which

could then be inserted to operate behind enemy lines. Lieutenant Colonel Garland Williams, a former director of the New York Bureau of Narcotics, transferred from the War Department to COI in late fall 1941 to assumed command of the new training unit. During the preparation of training areas and facilities, Williams and his trainers attended the British SOE school in Canada. The SA/G paramilitary training school at Quantico opened in April 1942.(7)

On 13 June 1942 the COI was redesignated the Office of Strategic Services (OSS); the SA/G branch was subsequently renamed the Special Operations (SO) branch. The infantile SO Branch was less than a year old when General Donovan saw an opportunity to employ the paramilitary tool against the Japanese occupation force in Burma.

"Det 101"

The legendary "Detachment 101" was the first OSS special operations effort of World War II. The Kachins(8) in Burma had been waging a determined struggle against occupying Japanese military forces since early in World War II. Support of the Kachins began with an airdrop of twenty-five British-trained operatives in mid-1942. The original members of Detachment 101 were recruited, trained and dispatched to Burma in May of 1942. The first leader of Det 101, Major Carl Eiffler, had been a Treasury agent operating on the Mexican border before he was commissioned in the Army and subsequently assigned to OSS's predecessor COI as the Far Eastern representative.(9)

Eiffler and his men trained the Kachins to conduct large-scale ambush patrols and sabotage operations against Japanese occupation forces.

Eiffler faced two principal challenges in Burma. In 1942 there was no projected date for conventional Allied military operations against the Japanese in Burma. With Europe being the dominant theater, the US was a long way from taking the offensive in the Pacific region. This meant that Eiffler's paramilitary efforts had little chance of achieving decisive results by themselves; the Kachins and the OSS were therefore in for a protracted guerrilla war. The second challenge was answering to two headquarters: British and American. Continual second-guessing by OSS and British SOE superiors far removed from the scene frustrated Eiffler's attempts to secure the logistics support needed to generate the level of resistance necessary to threaten the Japanese hold on Burma. The OSS eventually pulled Eiffler out of Burma, then shuttled him around Washington and Europe to pass on lessons learned to paramilitary officers throughout the OSS. The OSS was busy developing a large-scale paramilitary program to support Eisenhower's military plan in the European theater, and those operatives preparing to enter France would soon benefit from Eiffler's tactics, techniques, and procedures for guerrilla and paramilitary warfare.

OSS special operations in France

OSS paramilitary operations in France were a supporting effort for planned Allied conventional military operations. OSS activities were part of a joint British-American effort, with the British SOE initially in charge. Two types of paramilitary elements operated in France: three-man "Jedburgh" teams and larger units of thirty to forty men organized into "Operational Groups." The OSS recruited its paramilitary agents from the Army and Navy, with the majority coming from the Army. The Jedburghs parachuted into France from June through September of 1944, and much like the OG's conducted sabotage operations to impede the movement of German military units within France.

John Bross was the OSS officer in charge of employing Jedburgh teams in support of operations OVERLORD and ANVIL, the Allied landings in France. The mission of the

three-man Jedburgh teams was to link up with the local French Resistance element upon insertion into France, assist in organizing the Maquis for sabotage operations, then advise and coordinate resupply for resistance units. The Jedburghs did not attempt to supplant the local resistance leadership - OSS agents advised and influenced within their capability, but were careful not to threaten the command status of the Maquis leaders.

William Colby, who would later rise within the Central Intelligence Agency to become Director of Central Intelligence and head of the Agency, commanded Jedburgh team "Bruce." Paramilitary operations in France, according to Colby, were designed to "wreak havoc in the German rear and undermine German defense against the advancing Allied armies."(10)

The intent was two-fold: prevent the employment of German units against the Allied landing forces and prevent the retrograde of German forces out of France back into Germany. The concept of employing Jedburghs was to insert a team approximately four to six weeks before Allied military operations were expected to take place in the team's assigned area.(11)

The larger Operational Groups (OG's) were trained, self-contained paramilitary units. The OG's were essentially comparable to the British commandos, and were the forerunner of US. Special Forces.(12)

These units differed significantly from Jedburghs in that OG's operated behind enemy lines "with the object of direct attack on the enemy,"(13) conducting ambushes and sabotage operations against German units. Typical Jedburgh targets, on the other hand, consisted of rail lines and bridges. The two types of paramilitary elements proved complementary, operating independent of each other yet sharing the common goal of preventing the rapid redeployment of German occupation forces within France. As the war progressed and the Allies pressed toward Germany, Hitler attempted to withdraw the rest of his army back for a final defense of the homeland. General Donovan saw in Norway yet another opportunity to impede that withdrawal.

Trapping the Germans in Norway

The Russian army by mid-1944 had driven about 400,000 German troops out of Finland into northern Norway. Germany was in the process of bringing these troops south through Norway to rejoin the battle in Germany. Rail was the Germans' primary means of moving its troops through Norway. This reliance on the few existing north-south rail lines provided the OSS with an ideal opportunity to make a significant, measurable contribution to the Allied war effort through paramilitary operations.

The Norwegian Special Operations Group (NORSO) was a group of about a hundred Norwegian-Americans who had seen duty with the OSS in France, then reorganized and refit for paramilitary operations in Norway. The mission of NORSO was to sabotage the Northland Railway, over which the German were moving 150,000 troops south out of Norway toward the final defense of the Third Reich homeland.(14)

Unlike paramilitary operations in France, however, OSS officers in Norway were under strict orders to avoid all contact with the local populace.(15) Whereas OSS paramilitary operations in France directly preceded the Allied invasion, there was no set timetable or formalized plans for Allied military operations in Norway. The populace would be subject to reprisals from German occupation forces for assisting OSS paramilitary elements.

William Colby, who had led Jedburgh Team Bruce in France, was given command of operation Rype in northern Norway. Rype was somewhat typical of OSS paramilitary

operations in World War II--a rough beginning and a fortuitous ending. Colby's unit was delayed for several months parachuting into Norway due to poor weather. When the air drop finally occurred only half of the planes dropped their load near the intended target due to inexperienced pilots and poor aerial navigation.(16)

Despite a shaky start, Colby's and his surviving force of nineteen men successfully sabotaged a key bridge and numerous rail lines to delay the movement of German forces south. Colby was later to receive the Silver Star for gallantry in action as a result of his service with the OSS in Norway.

The Dilemma in Yugoslavia

The German occupation of Yugoslavia in World War II largely overshadowed the concurrent internal struggle between competing groups for postwar control of the country.(17)

The Communist Partisans, led by Tito, intended to convert postwar Yugoslavia into a Marxist federated republic. Draza Mihailovic's "Chetniks" opposed Tito's Partisans; the Chetniks were struggling to restore the original Serbian monarchy and prevent a Communist takeover. The American and British governments assessed Tito's element as the more effective force, and committed paramilitary support to the Partisans, despite the Partisans' Communist ideals. The Allies--keeping all options open--nevertheless maintained contact with the Chetniks, since they shared the common goal of evicting the German occupation force. The OSS and British Special Operations Executive (SOE) thus faced the challenge in Yugoslavia of maintaining the focus on Germany without becoming involved in internal politics.

In 1942 Stalin's government was in no condition to provide Tito with the necessary support to sustain his forces. Tito's Partisans "would have preferred to receive weapons from the Russians, but as this was not forthcoming they welcomed British and US support."(18)

Yugoslavia was another cooperative paramilitary venture for the British and Americans, with the "senior" British intelligence agency overseeing all special operations in the Balkans during the war. OSS agents parachuting into Yugoslavia performed the same functions as their counterparts in France, yet under vastly different circumstances. Allied conventional military operations were not a near-term possibility in Yugoslavia in 1944 when the OSS initiated special operations in that country. The divergent interests of the competing political elements and the violent ethnic hatred between Serbs and Croats proved more than mere distractions to OSS operatives. Sustaining the morale of resistance members in this type of operating environment was a formidable challenge to successful paramilitary operations in Yugoslavia. Franklin Lindsay was a State Department Foreign Service Officer hired on by the OSS, then assigned to "Force 399" for operations in Yugoslavia. Reflecting on the uphill struggle faced by the Partisans in 1944, Lindsay recalls that the Partisans viewed OSS officers as "living proof that the major Western Allies, the Americans and the British, are with us."(19)

Lindsay is quick to note that operatives must have credibility to be effective. The operative must gain the confidence of resistance leaders on the basis of guaranteed American support. A perception of mixed loyalties on the part of the operative will detract from this implicit trust. The OSS recruited a number of first-generation Yugoslav-Americans, primarily for their language skills. As a general rule, these immigrants proved unreliable as operatives.(20)

Returning to a country so recently their native homeland, they often took sides immediately with one of the competing resistance groups. Their strong cultural ties prevented them from remaining impartial. These operatives also found it difficult to

earn the trust of the Partisans; the Partisans believed that if someone was truly dedicated to the resistance effort, he would be a Partisan and not an American. The Partisans wanted to deal with an American, not an ex-patriot with mixed motivations.

Tito's Partisans relied heavily on the OSS for support in the early stages of the paramilitary program. The Partisans were initially motivated to work with the OSS by anti-German and anti-Italian feelings because of the atrocities committed by the occupying forces against civilians. Later in the war, as the outcome became more evident, the Partisan focus began to shift toward elimination of the Chetniks. By early 1945 the Partisans were using OSS-delivered weapons to build arms caches for use in the continuation of the Yugoslav civil war.(21)

Fighting the Germans was no longer their priority, and the effectiveness of the OSS paramilitary effort rapidly fell off as a result.

The OSS Investment in Paramilitary Operations during World War II

Special funds are "moneys, for which no voucher is submitted to the General Accounting Office, to be employed in instances where the use of vouchered funds would divulge information prejudicial to the public interest."(22)

From the earliest days of COI it was clear that paramilitary operations required the use of unvouchered funds to satisfy the requirement for plausible deniability. Hence the use of unvouchered funds became the "modus operandi" of all covert activity, including paramilitary operations. The Special Funds Branch of the OSS had the responsibility for devising and supervising a series of intricate procedures for the procurement and disbursement of unvouchered funds so that the connection of OSS or its agents with a given transaction was not revealed.

The provisions of public law regulating the expenditure of ordinary government funds do not apply to unvouchered funds. The COI received an initial allocation of \$100,000 in unvouchered funds in September 1941. The OSS received allotments totaling \$13,000,000 in unvouchered funds for fiscal year 1942-1943. These initial allotments were drawn from the President's Emergency Fund. The OSS obtained its own appropriation from Congress for the first time for fiscal year 1942-1943. Of the \$21,000,000 appropriated, nearly \$15,000,000 were earmarked as unvouchered funds. The National War Appropriation Bill of 1945 authorized \$57,000,000 for the OSS, of which \$37,000,000 were unvouchered funds. All but \$2,000 of the unvouchered funds for 1944-1945 were accounted for "solely on the certificate of the Director of the Office of the Strategic Services"(23) Hence General Donovan had some \$35,000,000 in "signature" funds to operate with in 1944-1945. Expenditures up to that limit required no justification or explanation outside of OSS, and were automatically reimbursed by the Treasury Department provided Donovan had approved them.

OSS paramilitary operations and espionage operations required unvouchered funds for different reasons. Paramilitary (SO Branch) officers normally wore military uniforms in the field to ensure credibility with resistance elements and facilitate their "uncovering" by conventional Allied military forces in their advance through German-held territory. These officers did not have the same need as their espionage counterparts in SI Branch to maintain a cover, hence most paramilitary officers could be paid through normal vouchered funds.

Unvouchered funds were used extensively, however to finance various resistance groups supported by OSS. OSS made the first large-scale distribution (1,500,000 francs) to the French Resistance on 7 December 1943. Funds were distributed by OSS agents on the ground or airdropped to agent reception committees. In the four-month

period from March 1944 to June 1944 the OSS issued a total of 31,186,100 francs plus \$38,000 in US currency to French Resistance groups in preparation for the Normandy D-Day landings.

OSS materiel requirements consisted mainly of weapons and ammunition, demolitions, and communications equipment to support resistance elements. Since these items were readily available through the military supply system, and there was no requirement to conceal the source of supply, they were normally requisitioned and purchased through open channels. Materiel costs for paramilitary operations, compared to US conventional military expenditures during World War II, were relatively insignificant. The plan for special operations in the entire western Mediterranean Area, submitted by OSS through the Joint Staff Planners to the Joint Chiefs of Staff on 18 December 1942 contained a detailed list of supplies at an estimated total cost of only \$220,000.(24)

OSS operations in France provide a clear example, however, of the level of effort required to arm and resupply a viable resistance force. Early OSS operations in France consisted only of supplying arms and materials and a few agents. By 1943 the airdrop effort had expanded: the OSS delivered some 20,000 tons of ammunition, weapons, and food to the French Resistance during the course of the year. In September of 1943 the OSS and SOE together dropped 5,570 containers of arms to the Resistance, and averaged approximately 5,000 containers per month in the months preceding the Allied invasion at Normandy.(25)

The personnel investment in OSS paramilitary operations was substantial considering the zero-base start in late 1941. OSS paramilitary plans in 1942 called for 13 officers and 22 enlisted men in the Western Mediterranean area.(26)

The OSS sent 523 officers, enlisted men and civilians into France in 1944 to conduct paramilitary operations behind German lines. Of these, 83 officers were assigned to three-man Jedburgh teams, 355 operated in 22-man Operational Groups (OG's), and the remaining 85 were SO agents and radio operators in F-, DF-, and RF-Section circuits. Cumulative casualties were 18 dead (3.4 percent), 17 missing or taken prisoner (3.3 percent), and 51 wounded or injured (9.8 percent).(27)

Return on investment: The OSS contribution to the Allied War Effort

Det 101 achieved remarkable results despite all the challenges faced by Eiffler and his men. By the end of the war the original group of twenty-five operatives had expanded to some 566 paramilitary agents.(28)

Eiffler's strong character and firm support from Director of Strategic Services General Donovan were the key elements to Det 101's operational success. Those results are amplified in that Det 101 was the only OSS unit to receive a Presidential Citation, acknowledging that Det 101 had "met and routed out 10,000 Japanese throughout an area of 10,000 square miles, killed 1,247 while sustaining losses of 37, demolished or captured 4 large dumps, destroyed the enemy motor transport, and inflicted extensive damage on communications and installations."(29)

Perhaps Eiffler's greater contribution to the OSS paramilitary effort was the extensive after-action report on Burma which he prepared and then briefed to various OSS special operations agents in Washington DC and in the field as they developed plans for paramilitary operations in other regions of the world. The success of the resistance movement in France supporting Operation Overlord is well documented. The OSS War Report contains a detailed breakdown of sabotage activities in France from June through August of 1944 and the statistics appear impressive. The report credits the resistance with executing 885 successful rail cuts, destroying 322 locomotives, and

downing seven German aircraft during this period.(30)

The eight SO officers and six radio operators that parachuted behind enemy lines into Brittany as part of nine Jedburgh teams managed to arm and organize more than 20,000 men.(31)

In addition to their paramilitary contribution the OSS-supported resistance provided invaluable tactical intelligence support to Allied commanders planning conventional military operations.

Covert paramilitary operations in Norway were successful not only from a military standpoint--CIA elements prevented up to 400,000 Third Reich troops from redeploying south to Germany--but also validated the concept of covert paramilitary operations independent of resistance support. The success of William Colby and other team leaders in Norway gave the CIA a second employment option, whereby paramilitary elements inserted behind enemy lines did not link up with partisans. This option appeared to have several advantages over the more "traditional" operations conducted with partisans. William Colby's element neither relied upon nor answered to local resistance leaders. Colby had only US objectives to pursue; he was not constrained by potentially competing partisan priorities. Unit integrity and cohesion did not suffer as a result of partisan-directed changes in organization, as was often the case when operatives operated in support of partisans.

The inevitable shift in Partisan priorities within Yugoslavia toward the end of the war does not diminish the overall success of OSS's paramilitary effort in that country. Attacks against the two key north-south rail lines in mid-June 1944 closed the alternate western line to Vienna for at least a six-month period. It took the Germans six weeks to reopen the primary line to Vienna.(32) The OSS-supported Partisans maintained continuous pressure on the Germans through sabotage of bridges, tunnels, and well-executed ambushes. Partisan activity throughout Yugoslavia successfully tied down up to fifteen German Divisions, and the Partisans were instrumental in the rescue and transport back to friendly lines of some 2,000 downed Allied airmen.(33)

The US should have drawn several key lessons from OSS paramilitary operations in World War II. Generating and sustaining a viable resistance effort not supported by follow-on conventional military operations will almost always be a long-term effort, with little chance of achieving decisive results by themselves (at least in the short term). Short-term operations such as the Jedburghs and OG's in France often provide a false picture of what paramilitary operations can realistically accomplish. Paramilitary efforts such as those conducted in Yugoslavia and Burma require an extensive infrastructure, with greater reliance on Partisans for supplies and protection of operatives. The pre-existence of an organized resistance infrastructure and subsequent Allied landings amplified the success of the paramilitary effort in France, perhaps beyond reasonable proportions considering the optimal conditions.

Recruitment is a critical step in preparing for paramilitary operations. A lack of quality control or failure to recognize potential conflicts of interest can result in unreliable operatives in the field, as was the case in Yugoslavia. Operatives need credibility to be effective, and ethnic or cultural ties must be scrutinized to minimize the possibility that such motivations might outweigh an operative's affirmed allegiance and dedication to the assigned mission. The ideal situation is one of mutual support among resistance elements and paramilitary operatives. Resistance members offer food and security to the operative, providing a protective "screen" through their civilian-based intelligence network. Operatives provide the technical advice, arms and equipment required to wage a successful paramilitary program. Frank Lindsay spent seven months with Tito's Partisan's inside the Third Reich and was never caught in an ambush, an amazing achievement considering Lindsay's Partisan element operated and lived within a mile or

two of German garrisons throughout the period. He believes he would not have survived one week in Yugoslavia without being captured, had it not been for Partisan protection.(34)

Rarely, however, are all resistance elements operating from a common political base. Typically an internal conflict exists in which the various resistance elements are competing for political control, attempting to consolidate their own gains and negate the impact of all other groups. In this situation the resistance elements share a common enemy only as long as one exists; when the external threat diminishes, the internal struggle becomes the predominant motivation. As the external shared threat subsides and the internal political struggle resurfaces to pervade the operating environment, the resistance elements and the paramilitary operatives will have increasingly divergent interests. The resistance element becomes less concerned with paramilitary activity and more concerned with political activity. The corollary to this scenario is that the probability of success in a paramilitary operation diminishes in proportion to the decline in resistance reliance on the operative's support.

The Dissolution of the OSS

A flood of magazine articles and several books released shortly after V-J Day detailed the thrilling exploits of OSS agents during the war. Gary Cooper and James Cagney starred in Hollywood portrayals of World War II special agents working behind enemy lines. The sudden wave of publicity for activities kept so secret during the war served to accentuate OSS accomplishments, glossing over the shortcomings and negative aspects of covert paramilitary operations.

The OSS consolidated its field offices, sending Richard Helms, Allen Dulles, and Frank Wisner to Berlin as the emphasis shifted from supporting anti-Nazi resistance groups to addressing the rapidly developing Soviet threat. The fact that the USSR was drifting further away from the West came as no surprise to the OSS. Paramilitary and espionage agents operating in France, Italy, and Yugoslavia had witnessed first-hand the expanding Communist political base in those countries. The OSS was not to survive the post-war transformation period, however, despite General Donovan's best efforts to justify sustaining a peacetime national intelligence agency. When President Roosevelt died and was succeeded by Harry Truman, Donovan lost the vital support necessary to keep his organization intact. Truman distrusted General Donovan, whose tremendous influence in Washington and Republican status represented a direct threat to Truman's political power base. Truman, seeing no need to maintain a peacetime cloak-and-dagger spy agency, disbanded the OSS by Executive Order 9621 of 20 September 1945, effective 1 October 1945.(35)

The dissolution of the OSS marked the beginning of a hiatus in US covert paramilitary capability. When the need for such a capability resurfaced several years later, the US attempted to pick up where it left off at the end of World War II, applying old techniques in a vastly different environment. This error in judgment would prove costly in the years that followed.

THE COLD WAR BEGINS

Covert paramilitary operations and containment

On 12 March 1947 President Truman appeared before a joint session of Congress to request military and economic aid for both Greece and Turkey in their struggle against Communist insurgents. In a single sentence the Commander-In-Chief enunciated the new direction of American foreign policy: "I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures."(36)

Truman's thinly-veiled reference to Communist expansion set the tone for the post-war period, energizing American intelligence to develop a gameplan to counter the rapidly developing Soviet threat. There were rules in this new contest that would restrict the available options--solutions which might lead to open conflict between the US and USSR were unacceptable. Intelligence officials looking for alternatives, many of whom had served with the OSS in World War II, proposed reconstituting the paramilitary capability that seemed to work so well during the war.

Clearly both the CIA and the National Command Authorities during this period viewed covert paramilitary operations as a policy tool in President Truman's national strategy of containment. The Senate Select Committee reviewing CIA covert operations concluded in its 26 April 1976 Final Report that "Covert action projects were first designed to counter the Soviet threat in Europe and were, at least initially, a limited and ad hoc response to an exceptional threat to American security."(37)

The policy of containment espoused in 1947 was inherently defensive, a reaction to Soviet initiatives. Covert paramilitary operations, on the other hand, are offensive by nature, used to either prevent or cause the overthrow of a government in power. This dichotomy allowed Truman and the CIA to pursue an offensive program designed to "roll back" the iron curtain, while publicly maintaining the limited US objective of preventing Communist expansion. The concept of such a program, however, is vastly different from the inherent authority to pursue such a program. The basis for that authority has been disputed on repeated occasions throughout the history of the CIA, and we must review the origins of the Agency itself in order to trace its roots.

Legislative authority for covert operations

The National Security Act of 1947 (which established the Agency and the National Security Council) contained no reference to secret operations, whether for intelligence collection or covert action. In fact the term "covert action" was not in use at the time; such activities were in 1947 referred to in intelligence circles as unconventional warfare. There is disagreement over whether covert action was considered in the drafting of the bill. Former CIA legislative council Walter Pforzheimer was one of the principal drafters of the CIA portion of the bill, and had the additional task of clarifying the Agency-related portions of the bill to members of Congress during the drafting and review process. Pforzheimer asserts that the drafters never considered inclusion of any reference to covert action not by direction or intention, but because there was not a recognized need for such a capability in the post-war period(38). The creation of the Agency was in response to an identified need by the President for consolidation and centralization of the national intelligence system within a single agency to provide him with timely and accurate intelligence estimates. The Act of 1947 legislated the creation of such an agency.

Former Secretary of Defense Clark Clifford, another drafter of portions of the Act of 1947, had a different recollection of intent with regard to covert activities when he appeared in December 1975 before the US Senate Select Committee tasked with investigating US covert activity:

It was decided that the Act creating the Central Intelligence Agency should contain a "catch-all" clause to provide for unforeseen contingencies. Thus, it was written that the CIA should "perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct." It was under this clause that, early in the operation of the 1947 Act, covert activities were authorized.(39) The Committee could find no evidence in the debates, committee reports, or legislative history of the 1947 Act to show that Congress intended specifically to authorize covert operations. The committee did suggest, however, that

since the CIA's predecessor, the Office of Strategic Services (OSS), had conducted such activities, Congress in 1947 may have envisioned the potential for such activity in the future.

The legal authority of the CIA to conduct covert operations is not as clearly delineated as one might assume. Shortly after the successful Communist coup d'état in Czechoslovakia on February 12, 1948, Secretary of Defense Forrestal met with DCI Admiral Hillenkotter to discuss "what could be done" by the CIA to stem the tide of the Communist advances in Europe. Elections in Italy loomed just around the corner; if the Communists were to win in Italy, they would have such momentum in Europe that the rest of the continent seemed almost a *fait accompli* to American policymakers.

Admiral Hillenkotter, after conferring with his general counsel Lawrence Houston, advised Secretary Forrestal that the wording contained in the National Security Act of 1947 contained no specific authorization to conduct covert operations. Secretary Forrestal pressed Admiral Hillenkotter further on the subject: "Is there any other way?" When Hillenkotter posed this follow-on question to his general council, Larry Houston told the DCI that "If the President or the National Security Council directs us to do a certain action, and the Congress funds it, you've got no problem. Who is there left to object?" This rationale satisfied both the DCI and the Secretary of Defense, and the era of post-war covert operations began in earnest.(40)

It is perhaps ironic to note that to this day the CIA has no legislative authority to conduct covert activity. The Agency continues to operate on the basis of the tacit congressional approval as described by general counsel Larry Houston in 1948.(41)

The 1976 Senate Select Committee--while disputing the CIA position that appropriation of funds constitutes Congressional approval--acknowledged in its final report that until the enactment in 1974 of the Hughes-Ryan Amendment (to the Foreign Assistance Act of 1961), Congress could escape the full responsibility for the CIA's covert actions. Congress, until 1974, granted themselves absolution on the basis of ignorance of what the CIA was doing -- they couldn't be blamed for that which they had no knowledge of. Meanwhile the CIA charged ahead with impunity, confident that Congressional appropriation and National Command Authority direction were tantamount to the legal authorization to conduct covert activity.

Post-war mission creep

One could argue that the National Command Authorities forced the CIA into the business of covert paramilitary operations. In 1947 the debate over covert activity centered on psychological warfare. Secretary of State George Marshall adamantly opposed State Department responsibility for covert action. Marshall understood the tremendous negative political impact that disclosure of US involvement in such activity would have on American credibility and reliability. In June 1947 Marshall unveiled his sweeping European economic recovery plan (which would later bear his name); exposure of State Department involvement in covert activity would jeopardize the success of that recovery plan. On 17 December 1947 the National Security Council (NSC), "taking cognizance of the vicious psychological efforts of the USSR, its satellite countries and Communist groups,"(42) assigned the CIA responsibility for covert psychological activity: "The similarity of operational methods involved in covert psychological and intelligence activities and the need to ensure their secrecy and obviate costly duplication renders the Central Intelligence Agency the logical agency to conduct such operations."(43)

Whether the CIA actively lobbied for this opportunity or the NSC simply directed the Agency to assume responsibility for covert action is a topic still open for debate. In any case NSC 4-A is the US National Security Council's initial directive authorizing a covert

action program.

DCI Hillenkotter on 2 March 1948 created the Special Procedures group within the Office of Special Operations to carry out the psychological operations mandated in NSC 4-A. The memorandum from Hillenkotter to his Assistant Director for Special Operations contained a working definition of psychological operations, which would henceforth include "all measures of information and persuasion short of physical in which the originating role of the United States Government will always be kept concealed."(44)

This definition laid the groundwork for the concept of plausible denial which would remain the cornerstone of all CIA covert operations in years to come. In his memorandum the DCI clearly articulated the two purposes behind covert psychological operations: (1) undermining the strength of foreign elements engaged in activities hostile or unfavorable to the United States, and (2) influencing public opinion abroad in a direction favorable to our national interests.(45)

The accelerated pace of world events in 1948 led to a rapid expansion of the concept of covert operations. In February 1948 the Communist party seized political control in Czechoslovakia following a successful coup d'état. In March 1948 General Lucius Clay, commander of US military forces in Europe, sent an alarming telegram from Berlin noting a "subtle change" in Soviet attitude, advising Washington that that war might come "with dramatic suddenness."(46)

Against the backdrop of a rapidly spreading sense of panic among US policy officials over the war scare, the National Security Council's issuance of NSC 10/2 on 18 June 1948 appears rational and timely. The Council, "taking cognizance of the vicious covert activities of the USSR, its satellite countries and Communist groups to discredit and defeat the aims and activities of the United States and other Western powers,"(47) created in NSC 10/2 the Office of Special Projects within the CIA to conduct a much expanded program of covert action. The directive superseded NSC 4-A, broadening the scope of covert activity to include political, economic, and paramilitary operations. NSC 10/2 also codified the concept of plausible deniability introduced in NSC 4-A, directing that all covert activities "would be so planned and executed that any US Government responsibility for them is not evident to unauthorized persons and that if uncovered the US Government can plausibly disclaim any responsibility for them."(48)

DCI Hillenkotter, in a series of memos to the Assistant Executive Secretary of the National Security Council, expressed serious reservations about certain portions of the directive during the drafting process.(49)

Hillenkotter's objections to the directive centered on the disconnect between authority and responsibility for the conduct of covert operations. The Council directed that the Chief of the Office of Special Projects report directly to the DCI, but specified that all covert operations would be coordinated through the Departments of Defense and State. The Council placed responsibility for the planning and conduct of all covert operations squarely on the shoulders of the DCI, yet the Secretaries of State and Defense retained the final authority for approval of such activities. The question of who retained direct control over the activities of the new Office were open for debate for years after the Council issued the watershed directive. The fact that all funds supporting covert operations were drawn from the CIA budget further fueled the debate. CIA general council Lawrence Houston advised the DCI later in 1948 that since NSC Executive Secretary Admiral Souers and George Kennan of State Department shared the belief that the new office "must" take its policy direction and guidance from State and the Defense Departments, the DCI was obligated to seek clarification from the Council and amendment of the directive as required to consolidate responsibility and authority.(50)

DCI Hillenkotter never resolved this dilemma and his analysis of the fundamental flaw in this organizational concept would prove to be quite accurate; the new covert operations office expanded activities at an exponential rate over the next three years with a wide open charter and no requirement to coordinate with other concurrent intelligence operations. The National Security Council upped the ante for covert operations by issuing NSC 20 in August 1948. George Kennan, then the Director of State Department's Policy and Planning Staff, provided much of the input for the document. The directive described the ultimate objective of American foreign policy as "the overthrow of Soviet power." (51)

The document provided recommendations for supporting anti-Communist resistance efforts, suggesting that the US pursue a program of broad-based rather than selective support for resistance groups.

The muddled covert operation command relationship generated by NSC 10/2 continued until General Smith, at his initial meeting with his staff as the new DCI in October 1950, asserted his complete authority over the redesignated Office of Policy Coordination (OPC). The National Security Council organized the Dulles-Jackson-Correa committee to study CIA operations and the National Organization for Intelligence. The committee report, dated 1 January 1949, recommended the integration of CIA's Office of Special Operations--the espionage function--and the OPC's--the covert operations function--under a single Operations Division. The committee recognized the need for closer coordination between the two in operational matters. The anomalous position of the OPC in the Agency continued, however, and the nearly 2-1/2 years of divergence between responsibility and authority provided a fertile environment for the development of covert programs. With the right leadership and adequate funding, the opportunities for growth were virtually unlimited. Congress, it soon became evident, was more than willing to loosen the purse strings in the name of anti-Communism. Leadership for a national program of covert action came in the form of a distinguished University of Virginia law school graduate named Frank Wisner.

Wisner resurrects a paramilitary capability within OPC

As head of OPC, Wisner was given a great deal of latitude by DCI Admiral Hillenkotter. Hillenkotter was keenly aware, according to former CIA legislative council Walter Pforzheimer that "if he [Hillenkotter] interfered, there would have been a call from the State Department." (52) George Kennan, then head of State's Policy Planning Staff, had gone to great lengths to preserve State Department oversight of OPC, and would not tolerate DCI interference. With State Department backing, Wisner "would have run right over Hillenkotter," (53) had the DCI attempted to assert his influence over the direction OPC was headed. Wisner had generated in Washington considerable support for his program, including Secretary Forrestal who was fully supportive of Wisner's lobbying efforts to expand covert operations. (54)

Consequently, Wisner had a "free hand" to build OPC as he saw fit. Wisner needed money and people in large quantities to support his ambitious plan for OPC expansion. Neither commodity was in short supply. By the end of Wisner's first year running OPC he had three hundred employees assigned to seven overseas field stations. Three years later OPC had personnel at 47 overseas stations. Between fiscal years 1950 and 1951, OPC's personnel strength jumped from 584 to 1,531. Wisner inherited unexpended funds from the dissolved Special Procedures Group totaling just over \$2 million when he took over as head of OPC. By 1952 OPC had an annual budget of almost \$200 million. (55) The Joint Chiefs of Staff provided an early task for Wisner's infant OPC, specifying two related missions as part of the Defense Department's strategy for countering the expected Soviet military invasion of Europe. (56) The first mission was to establish a network of "stay-behind" agents in Western Europe who

would remain in place as Soviet forces attacked west. The second assignment was to organize and support resistance groups in Eastern Europe and Russia that could help retard the advance of attacking Soviet forces. With a clearly defined mission from the JCS and State Department advocating action, Wisner set into motion a program to probe the Soviet perimeter, beginning with a tiny country along the Adriatic Sea.

Albania - Operation Valuable

Albania is widely considered the most ambitious partisan-building effort undertaken by the CIA in the period immediately following World War II.(57) Enver Hoxha had been a resistance leader in Albania during World War II. The British SOE had armed and advised Hoxha and his men in their struggle against Axis occupying forces during the war. By 1946 Hoxha had consolidated power, declared himself president, and established a Communist government in Albania with the support of Moscow.

The country of Albania shares a common border with Yugoslavia to the north and Greece to the south. President Tito and his Partisans had defeated the Chetniks in the violent civil war within Yugoslavia, and Tito was unwilling to subjugate his newly formed government to the authority of the Moscow Directorate. Tito broke with Stalin in 1948, maintaining a separate Communist federal republic in Yugoslavia. Meanwhile, an unsuccessful rebellion which had started in Greece in 1946 was nearing conclusion, the Communists unable to secure control of the government. From the American perspective this gave strategic significance to tiny Albania, in that it remained outside the perimeter of the Iron Curtain, isolated between non-Communist Greece and a rebel Yugoslavia. Albania, in 1949, appeared "ripe for an anti-Communist operation."(58)

British problems with Hoxha began in 1946 when British warships sailing off the coast of Albania were fired upon; later two destroyers sank after striking mines in the three-mile wide Corfu Channel off the Albanian coast. President Hoxha subsequently refused to accept an International Court of justice decision implicating the Albanian government in the Corfu Channel incident. The British government, frustrated by Hoxha's refusal to accept responsibility for the incident and the demonstrated impotence of the international community in dealing with one of Moscow's "puppet" governments, turned to its intelligence service for alternatives.

British intelligence had established contact with Albanian as early as 1946. The SIS first inserted agents into Albania in 1947, hoping to fuel a civil war which could unseat Hoxha's fledgling Communist government. If this could be accomplished, the British intended to support a royalist anti-Communist government in central Albania. The British were unsuccessful in enlisting support from Albania's neighbors. Tito had no desire to increase Soviet hostility by acting against Albania. Greece, exhausted by its own civil war, could offer no substantial assistance.

Great Britain, in serious economic straits at the end of the war, approached the US for financial support. William Hayter, a senior British intelligence officer, led a delegation of senior SIS and Foreign Office officials to Washington in March 1949 to discuss with the CIA a cooperative strategy in Albania.(59)

Wisner was enthusiastic about joining the British in their Albanian operation, as was his deputy Franklin Lindsay. At an early meeting of the White House-State Department-Pentagon group, General John Magruder from the Defense Department argued against US covert operations in Albania, while Robert Joyce of State Department's Policy Planning Staff supported the initiative. Magruder denied the strategic importance of Albania; supporting a rebellion in Albania would only anger both Greece and Yugoslavia. Robert Joyce countered with the State Department view that "slicing off" a Russian satellite would have a propaganda impact justifying the risk.(60)

Joyce reminded Magruder of the agreement between Hoxha and Moscow giving Stalin naval base rights at Volana, along the Albanian coast, in return for aid from the Russians. Soviet access to a warm water port from which submarines might operate would directly impact security in the Mediterranean. State Department prevailed, and the "10/2"(61) panel granted approval to commence operations. In a series of meetings the two intelligence agencies outlined a program for joint paramilitary operations in Albania.

James Macarger had been a Foreign Service officer working the Albania situation for the State department for over a year when the OPC first discussed formally in the spring of 1949 the prospect of conducting paramilitary operations in Albania . Macarger's qualifications were not overlooked by Wisner, and Macarger was soon transferred to OPC to head the Albanian project for the CIA. The CIA's first step was to create a "legitimate" government-in-exile that would have the support of the resistance members inside Albania. Among the various rival faction leaders who had fled Albania when Hoxha seized power, none could claim the loyalty of all partisans within Albania. Macarger and the CIA thus created the Albanian National Committee, a coalition partisan government-in-exile with representatives from the two strongest faction leaders, tribal warlord King Zog and Bali Kombetar. King Zog, leader of the Legaliteti political movement, had seized power in a 1924 coup and made himself king in 1927. Bali's "National Front" organization, centered in Rome and Athens in 1949, had collaborated with the Germans and Italians during the war in addition to waging partisan warfare against them.

The OPC-funded "Committee for a Free Europe" by 1949 had become a haven for exiled leaders in Europe. The CIA, in their efforts to establish the legitimacy of the government-in-exile, used Committee for a Free Europe funds to fly the Albanian National Committee to the US. Escorted by Colonel Lowe of the CIA, the Committee "made the rounds" in Washington DC, meeting with various members of the legislative and executive branches to garner publicity and support for the Albanian cause. The Committee was received by Deputy Assistant Secretary of State Llewelyn Thompson before heading north to New York to establish the Committee headquarters. In all Macarger spent almost a full year laying the political groundwork necessary to support a successful paramilitary operation. For the operation itself Macarger was assigned head of CIA's Southeast Europe region, which included all of the Balkans plus Hungary. Macarger reported mostly to Franklin Lindsay, who at the time was chief of CIA's Eastern European Division. On occasion Macarger dealt directly with Wisner. A group of Army colonels on the OPC staff provided the technical advice for paramilitary operations.

Contrary to most published accounts, the objective in Albania was not the overthrow of the Hoxha Communist government.(62)

Macarger defines the Albanian operation as a probe to determine the feasibility to support a full-blown partisan effort. Former CIA officer Harry Rozitzke, on the other hand, categorizes Albanian operations as "positive intervention" designed to unseat Hoxha. Rozitzke contends that "[t]he Albanian operation was the first and only attempt by Washington to unseat a Communist regime within the Soviet orbit by paramilitary means."(63)

Macarger's assessment appears more accurate, in light of the limited scale of operations conducted. The CIA's paramilitary effort in Albania was intended to serve as an indicator of the level of effort required to launch a more concerted and decisive program.

Initial joint British-American operations into Albania were run out of Malta, a small

island in the Mediterranean south off the coast of Sicily. CIA officers at Malta set up émigré training camps, readied the airfield for parachute operations, and established a joint headquarters with their British counterparts. In 1949 OPC remained under the operational direction of the State Department, outside the purview of DCI Hillenkotter. State Department, then, would call the shots in Albania. The approved concept called for inserting trained emigres--"Pixies", as they were called-- by boat, airdrop, and overland movement into Albania to establish contact with resistance groups. The British provided the bulk of the manpower early in the operation. British participation dropped off over the next two years, however, and by 1951 the operation was entirely US-run.(64)

Early British contact with the resistance indicated that although there was a large partisan population, the Albanians were not optimistic about the probability of a successful coup. The resistance also reported increased activity by President Hoxha's internal security forces. An early British attempt to infiltrate bore out this assessment, foreboding future operations into Albania. The British boat Stormie Seas crossed the channel from Corfu on the night of 3 October 1949, carrying two groups totaling 26 Pixies. The Pixies, who had been training at Malta since July, were ambushed upon reaching the Albanian coast. Government security forces had apparently been tipped as to the location and time of the landing. Four Pixies were killed, the rest escaped into Greece.(65)

Repeated attempts over the next two years to infiltrate paramilitary elements met with similar consequences. Hoxha's security forces were waiting in drop zones, along the coast, and at the border to intercept the perpetrators. The OPC eventually shifted its base of operations to Greece; the results remained the same, however, as Hoxha's forces met each successive infiltration party at the point of insertion.

By 1951 it was clear that the operation had no chance of success, yet the probe continued. One possible explanation for this is that upon taking over as DCI in October 1950, General Walter Bedell Smith commenced a reorganization of CIA, pulling OPC back under the control of the DCI. It is reasonable to assume that OPC field operations were allowed to continue during reorganization until an accurate appraisal of each "project" was complete.(66) Looking back, however, there is no doubt that the program should have been terminated once it became clear that no large-scale paramilitary effort was feasible in Albania.

It is impossible to determine the total CIA investment in Albania. According to both Macarger and Lindsay no cost studies were ever done and there was no requirement for accurate accounting of expenditures.(67)

Macarger and others running the operation "never gave a second thought to costs; money was not a problem."(68)

Macarger, in fact, was encouraged to spend more than he requested. Wisner and State Department were eager to demonstrate the covert capability of OPC against the "evil" Communist threat, and money was not a limiting factor at the time. Macarger conservatively estimates costs for the first two years at approximately \$600-800 thousand; those costs rose significantly when the operation moved to Greece.(69)

Macarger also disputes the popular notion that the root cause of failure in Albania was Soviet double-agent Kim Philby.(70)

Philby was the British SIS's liaison with the CIA in Washington during the Albanian operation, and was, as the CIA later discovered, under the employment of the Soviet secret intelligence agency. Rositzke and others credit Philby with passing to Moscow details of the Albanian operation. Moscow, according to this argument, then passed the

information on to Hoxha for use in employing his internal security force to meet the intruders upon insertion. Macarger, however, remains convinced that Philby did not have access to such operational details as times and locations of insertions far enough in advance to pass that information through Moscow to Hoxha in time to affect the insertions. Decisions affecting insertion were often made just prior to launching the party because of changing weather and support requirements. Lindsay concurs with Macarger's assessment, adding that "the Russians would never have seriously considered risking Philby's 'cover' with the British SIS over a country as insignificant as Albania."(71)

The network , according to Macarger and Lindsay, was the principal cause of failure in Albania.(72)

A breakdown in operational security allowed recruited émigrés to pass detailed information on scheduled operations through the network, reaching Hoxha's security officials in Tirana. The Soviets, unbeknownst to the CIA, had totally penetrated the Albanian community. Émigré screening was minimal; the OPC had no means of verifying the loyalties and motivations of those recruited. It is not surprising, therefore, that émigré camps were a security sieve, as volunteers were quickly accepted for training with little in the way of background checks.

Macarger's explanation, however, is not the only possible cause of failure in Albania. Thomas Powers, in his biography of Richard Helms, lists a third possible explanation for the Albanian failure. Powers contends that the scope of the operation was simply too ambitious; the CIA in 1949 was not prepared to undertake such an operation and see it through to completion.(73)

Completion, according to Powers and most other published accounts, meant unseating Hoxha and emplacing a non-Communist government in Albania. The extent of the US involvement in Albania was limited from the beginning to paramilitary operations; achieving decisive results, therefore, was an unrealistic objective from the outset. Franklin Lindsay and a distinguished collection of scholars from Harvard University studying covert operations nearly twenty years later would reach the same conclusion, reporting that "[a]t best, a successful covert operation can win time, forestall a coup, or otherwise create favorable conditions which will make it possible to use overt means to finally achieve an important objective."(74)

The evidence indicates that a Soviet-penetrated émigré network was the principal cause of operational failure. If the objective was to unseat Hoxha, which is not altogether clear, then the entire program was a dismal failure. If, however, one accepts Macarger's conviction that the objective was to determine the feasibility of a full-blown partisan program in Albania then the CIA's efforts were not an exercise in futility. Was Albania worth the investment? Macarger believes it definitely was. Albania was where the CIA/OPC "cut its teeth" in covert paramilitary operations. The CIA learned some valuable lessons--the importance of quality recruitment, for example--and the operators believed that what they were doing was vital to US national security.

National security was at stake and the OPC was actually doing something to counter the Communist threat to the West. Had the CIA adopted the lessons learned and adjusted operations accordingly, the paramilitary effort in Albania would not have been in vain. Unfortunately, this was not the case. Wisner and the OPC eagerly sought new opportunities among the Soviet satellites to prove the value of the covert paramilitary tool, and the failure within the CIA to modify operational techniques and procedures led to similar failures in Poland and the Ukraine.

Supporting the Freedom and Independence Movement in Poland

In the summer of 1950, Poland was one of the Soviet satellites that appeared to have the most potential for successful covert paramilitary operations. Polish emigration to the west was strong following World War II, building an influential community in the US. Poland was also important from the standpoint of strategic geography. A Soviet offensive into Western Europe, much like World War II, would almost certainly pass through Poland. Building a strong resistance network in Poland fit well with the Pentagon's objectives for the CIA; paramilitary forces could interdict and delay advancing Soviet military forces, buying time for NATO to deploy conventional military forces.

The Germans had effectively destroyed the Polish resistance "Home Army" in the great Warsaw uprising of 1944 as the Russians stood by outside the city. Stalin had post-war plans for Poland; the nationalist-motivated resistance would be an obstacle to that process. If the Nazis were intent on purging Poland of that resistance, Stalin in 1944 was certainly willing to oblige, waiting patiently with his military forces to move in and take control once the Germans began their withdrawal. What remained of the Home Army went underground once the Russians moved in.

By 1950 the Polish Political Council had established a headquarters in London as the government-in-exile. What survived of the Home Army inside Poland reconstituted itself as the Freedom and Independence Movement--known by the acronym WIN--and maintained limited contact with the government-in-exile in London. WIN claimed a following of some 20,000 partially active resistance members inside Poland, with a total strength of 100,000 available for action in the event of war.(75)

What the American and British intelligence officials did not know in 1950 was that a thorough security sweep by Soviet security forces (KGB) in 1947 had virtually eradicated the remnants of WIN inside Poland.

Following the 1947 KGB counterintelligence sweep a Pole claiming to be a WIN member "escaped" to London and contacted former Polish officer General Wladyslaw Anders to enlist his support for WIN. Anders subsequently approached both the CIA and British SIS for their assistance. WIN provided the CIA with "smuggled" photos of destroyed Soviet tanks and equipment that the resistance claimed to have destroyed, in order to verify the credibility and commitment of the resistance movement. The counterespionage division of CIA, unconvinced of WIN's credibility, advised against CIA involvement. Wisner had the more convincing argument, however, and the CIA embarked on a joint program of paramilitary support.

A detailed accounting of the support provided by the CIA over the two year duration of the Poland program is difficult to determine, since once again record-keeping was not a priority. What is not disputed among the various accounts of the operation(76) is that CIA support was substantial, primarily consisting of money, military supplies, and communications equipment airdrops into Poland.

That is, until Polish official radio announced on 28 December 1952 that the Polish secret intelligence agency (known in the West as UB) had uncovered a joint British-American operation to support a rebellion within Poland. The surprise announcement sent shock waves through American and British intelligence channels; an internal CIA investigation and subsequent announcements from inside Poland revealed the true extent of the UB intelligence coup. The CIA and SIS were actually the unwary victims of an elaborate sting operation at the hands of the Polish secret intelligence.

The UB, it was soon discovered, had captured in Poland and subsequently "turned" a WIN leader named Seinko. Seinko thus provided the UB with a means of stimulating

and subsequently manipulating Western resistance support in the form of arms and equipment. To accomplish this, UB had Seinko maintain indirect contact with the CIA through a network of couriers who themselves were unaware that UB was in control of WIN. The UB, through Seinko, sent a continuous string of messages to the West portraying a dedicated and strengthening WIN resistance movement within Poland. The CIA, lured by the "bait" Seinko provided, continued the uninterrupted flow of arms and equipment into the country. While the CIA mistakenly believed their support was building a credible paramilitary force in WIN, every CIA shipment into Poland ended up in the hands of UB.

The setback in Poland highlighted several faults in the CIA's evolving covert paramilitary program. The failed operation brought to the surface the increasing disunity within the CIA. Wisner, as Chief of OPC, had taken to heart the National Security Council's guidance for his office in NSC Directive 10/2 to "operate independently of other components of Central Intelligence Agency."(77)

Wisner dismissed the caution flag waved by the counterespionage division as unsubstantiated pessimism when the CIA had initially considered involvement with WIN back in 1950. He was not about to let some naysayer with no "operational experience" stand in the way of his program. The incoherent intelligence framework in place since 1947 created the ideal environment for such discord; it was not until DCI Smith brought the OPC back under his direct control in early 1952 that all elements of CIA answered to a single authority. Poland also brought to light the Communists' capability to penetrate a resistance network. The CIA underestimated the effectiveness of the internal security measures put in place by Moscow's secret intelligence in the satellite countries. The iron curtain, as the CIA was rapidly discovering, proved nearly impenetrable from the outside, yet porous from the inside to the extent that the Communists allowed controlled agents to pass information to Western intelligence services. The CIA had little means of corroborating resistance information. When the CIA's espionage division did report potential Soviet penetration of resistance movements, the OPC rarely heeded the warnings.

The most damning aspect of the failure in Poland was the inability of the CIA to cover its tracks. The essence of all covert activity, including paramilitary, lies in establishing a program by which the identity of the perpetrator of the action remains concealed. The possibility of compromise can be minimized, but never completely eliminated. Harry Rositzke, an espionage officer with the CIA in the early 1950's, calls Poland "the [CIA's] most substantial and disastrous paramilitary effort inside the Soviet orbit."(78) His assessment seems most accurate, in that the CIA altogether failed to conceal the role of the US in Poland. Only the Bay of Pigs fiasco during President Kennedy's term of office rivals the CIA's failure in Poland to guarantee the US plausible deniability.

The Ukraine

Situated between Russia and the Balkan Republics is the Ukraine. As Soviet security forces consolidated control following the end of World War II, anti-Communist partisans in the Ukraine withdrew, establishing their resistance operating base in the rugged Carpathian mountains. The Ukrainian Nationalists, meanwhile, established a government-in-exile in Munich, Germany. Ukraine was significant to the West in that it contained one of the largest concentration of anti-Communist elements at the end of the war.(79)

The Ukrainian partisans had organized themselves into paramilitary units, and were actively conducting guerrilla warfare operations against Communist forces by 1949. The harsh environment and aggressive security sweeps by the Communists, however, were limiting partisan operations. The partisans rarely ventured out of their underground caves in the winter; leaving tracks in the snow would have led the

Communists straight to their hideouts. The partisans spent much of the summer foraging for food stocks that would carry them through the following winter. The result was a less than all-out effort to expand paramilitary operations.

British and US intelligence had initiated flights over the Carpathians shortly after the war ended, first dropping propaganda material to the partisans denouncing Communist efforts and encouraging the resistance to continue the fight. The risks for the US in providing aid to the Ukrainian partisans were considerable. The Ukraine was more than just another satellite country on the periphery of Russia, assigned to Stalin in the Paris peace accords for post-war reconstruction. The Ukraine was an acknowledged part of the USSR. Thus, the Soviets could legitimately consider any meddling in the internal affairs of the Ukraine by a third party tantamount to war.

The initial impetus for US involvement in the Ukraine was the need for intelligence. When the Berlin Blockade went into effect, the West found itself totally locked out from an intelligence perspective, unable to track the course of events inside the USSR. The CIA was actively searching for any means to "look inside" the iron curtain to determine what direction Stalin would take the USSR in the post-war period. The CIA initiated Ukrainian espionage efforts in the fall of 1949.(80)

As Wisner got his paramilitary effort underway, however, the disconnect between OPC and OSO (the CIA's espionage division) soon became apparent. A 24 April 1950 internal OPC memo from Mr. C. Offie to Frank Wisner described a probable security breach within OSO regarding CIA plans for the Ukraine. Offie had apparently discovered that the CIA was considering sponsorship of a Ukrainian National Committee, and that OSO plans to send coded messages through the Voice of America to the Ukrainian underground resistance had already "leaked" outside the CIA in New York. The obvious concern was that OSO might have compromised the operation before OPC officers had begun developing their plan. According to Rositzke, the CIA's assessment in 1950 of the potential for resistance support and covert paramilitary operations was that "the Ukrainian guerrillas could play no serious paramilitary role."(81)

Wisner's former deputy Franklin Lindsay concurs, adding that by 1950 "the Soviet strength was so great, its political control and military controls were so great, that [Ukrainian] resistance efforts stood little chance of success."(82)

Failures in Albania and Poland provided US intelligence analysts with convincing evidence of the extent to which Moscow dominated Soviet-controlled territories. Success in the Ukraine would require a tremendous covert paramilitary and perhaps even overt military investment on the part of the US. US policymakers in 1950 was unwilling to make such a commitment. Limited covert operations were acceptable; the risk of provoking open conflict with the Soviets was not.

The OPC, then, provided a trickle of support to the Ukrainian partisans for a period of several years, enough to keep the movement alive but not enough to effect the outcome. Most Ukrainians were unwilling to accept the risk of capture and imprisonment, especially when it was clear that the Americans were not prepared to fully support their cause. The Soviets eventually eliminated the underground in Ukraine by isolating the guerrillas from the populace, the resistance left to wither away in the mountains. In the Ukraine the US did not commit the paramilitary resources necessary for the resistance movement to succeed. If the US goal was to build a viable resistance movement in the Ukraine--which certainly seems logical--then the objective analysis indicates a wasted effort, doomed to failure from the very beginning.

In his later observations on accepting risk in covert operations, Lindsay identifies timing as the predominant factor in considering a course of action. According to

Lindsay, "In a war or near-war situation, much greater risks of exposure can be justified not only because of greater need for the activity, but also because the penalties for exposure are far less." (83) Much of the war-scare mentality of the early 1950's was the result of ignorance, a void of knowledge in the West as to what was occurring in the USSR. From a strategic perspective, the US was not in a near-war situation with the Soviets in 1950, and could not justify the risk of exposure by embarking on a large-scale paramilitary effort in the Ukraine.

Strategic geography plays an equally important part in the decision to commit to covert operations in a particular country. Ukraine's status as an integral part of the USSR meant that the stakes were too high for a large-scale covert paramilitary operation. Probing the Soviet satellites was one thing--throughout history, buffer states have served a vital function by "absorbing" limited penetrations by the enemy. Within the international intelligence community such indirect activity at the periphery is an expected, if not accepted occurrence. Ukraine, however, was not a satellite; it was an integral component of the USSR. Exposure of a US peacetime covert program in the Ukraine would have much greater implications; the USSR would be fully justified in taking all measures--including military response--to defend the sovereignty of her borders. One could say, based on the arguments presented above, that the CIA's decision to limit its covert paramilitary program in the Ukraine was the logical choice. John Ranelagh, author of arguably the most accurate historical account of the CIA, offers a different conclusion. Ranelagh condemns the US for encouraging and supporting the Ukrainian resistance movement, alleging that by doing so the Americans were simply encouraging the Ukrainians to their deaths. (84)

The CIA knew from the beginning that the movement could not succeed, given the limited amount of support the US planned to provide.

Ranaelagh's analysis draws attention to one of the moral dilemmas faced by decision-makers when considering the merits of a particular covert paramilitary operation. Is it ethical or even rational to provide a degree of paramilitary assistance when all indicators suggest that assistance in the amount planned will not sustain the resistance movement? In the context of the early 1950's, when doing something was better than doing nothing, failure to weigh the morality of supporting the Ukrainian underground resistance is understandable. From the CIA perspective, ultimate responsibility for setting the moral standards used to determine whether a particular covert operation is acceptable lies with the National Command Authority (NCA), since every operation requires approval at that level. The NCA relies heavily on CIA assessments, however, and so the responsibility is truly shared between the two.

The results of the CIA's abortive involvement in the Ukraine should have provided the US with an early indication that deciding to use covert paramilitary capability must be a highly selective process. All factors must be considered, and if approved, an operation requires the level of commitment necessary to have an acceptable probability of success. In its haste to be a proactive deterrent, however, the CIA established unrealistic objectives for covert paramilitary activity, believing it possible to prevent Communist expansion through limited means. The US made the same mistake in 1951, believing that paramilitary activity alone might have a significant impact on the Chinese Communist involvement in the Korean conflict.

The OPC in Korea - Li Mi

The US, in conformance with the fundamental precepts of the Truman Doctrine, had provided significant military and financial aid to Chiang Kai-shek in his unsuccessful struggle to prevent Mao Tse-tung's Communist forces from seizing political control of China. The Maoists completed their takeover in 1949 when they overran Peking and southern China. As the Communist forces swept across China, Chiang and most of his

followers fled the mainland, taking up residence across the straits on Formosa (Taiwan). The Chinese Nationalists, backed by the US, vowed to continue the struggle with the goal of eventually returning to the mainland and extricating Mao's Communists.

General Li Mi had served under Chiang Kai-shek as an army commander in central China prior to the Chinese takeover. Li Mi and about 1,500 of his troops, rather than attempt to flee east toward Formosa, had withdrawn west through the Yunnan Province to the Chinese border. Li Mi's force eventually made their way to Burma, though not with the consent of the Burmese government. The Burmese were preoccupied at the time with containing an internal revolt of their own, and could not commit the resources necessary to prevent Li Mi's force from spilling over the border into Burma. Li Mi, despite Burmese government efforts to evict him and his Chinese Nationalists, drafted Burmese tribesmen as laborers and continued in 1950 to rebuild and refit his force in northern Burma.

US officials in late 1950 failed to acknowledge indications of Chinese Communist posturing along the North Korean border for an attack south into Korea. When the Communists crossed the Yalu River and entered the Korean conflict, a surprised General MacArthur ordered the withdrawal south of United Nations (UN) forces. The Truman administration in early 1951 frantically searched for a way to relieve the pressure on UN military forces backpedaling south in the face of advancing Chinese Communist forces. The National Security Council discussed at an early 1951 NSC meeting the possibility of using Chinese Nationalist forces to draw away Chinese Communist elements from North Korea.⁽⁸⁵⁾ The general concept presented was to insert CIA-sponsored Chinese Nationalists into China from Burma, forcing the Communists to pull forces out of Korea to deal with the incursion. If successful, this would cause Mao to redeploy his Red Chinese forces, thereby relieving pressure against American and UN forces.

DCI General Walter Bedell Smith, USA attended the NSC meeting, and immediately voiced CIA opposition to the concept on the basis "[T]he Chinese Communists have so goddamn many troops, you can't count 'em all; they won't pull anyone out of there."⁽⁸⁶⁾ Secretary of State Acheson and Secretary of Defense Johnson, however, both supported the proposal. US policy was to avoid direct military conflict with the Communists inside Chinese borders, since there was no guarantee that such action would not provoke a military response from the USSR. By necessity, then, any intervention inside China would have to be covert in nature; the role of the US could not be disclosed.

In theory, the use of the Nationalists could achieve the objectives of both State and Defense Departments. If successful, the operation would divert Chinese Communist military forces from Korea and conceal the role of the US. The DCI was not a voting member of the NSC, and the arguments of the two Secretaries convinced Truman to task the CIA with initiating the covert paramilitary operation. Given his marching orders, General Smith tasked Wisner and his OPC with developing a plan to infiltrate Nationalist forces back into China.

The Chief of OPC's Far East division in 1951 was Dick Stilwell . Stilwell and his deputy, Bill Dupuis, put together the details of the plan and contacted General Li Mi to discuss the operation. The CIA created a "front" commercial organization in Bangkok, Thailand called Southeast Asia Supply Corporation, or SEA Supply. SEA Supply provided the necessary cover for logistical and operational support. The basic concept was for Li Mi's force to cross the border and enter the Yunnan Province through Burma--the back door into China. The CIA would transport additional Nationalist paramilitary elements from Formosa to Burma, where they would insert by parachute, then cross the border on foot into China.

The Li Mi covert paramilitary program resulted in total failure. Counterintelligence officers in OSO (Office of Special Operations--OPC's espionage/ counterintelligence counterpart in CIA) had suspected General Li Mi's chief radio operator of collaborating with the Chinese Communists. The OSO investigation, prior to the Nationalist force crossing the border into China, concluded that the chief radio operator was in fact a Chinese Communist agent. OPC, still operating outside the direct control of the DCI, disregarded the OSO report and pressed ahead with the operation. When Li Mi's Nationalist paramilitary element crossed the border into the south Yunnan Province of China, they were met by an overwhelming Chinese Communist military force and decimated. Some escaped with Li Mi back to Burma, while many scattered in an area now known as the "Golden Triangle" to avoid certain death at the hands of the Maoists.

The long-term diplomatic impact of the Li Mi failure is an even greater tragedy than the operational failure to draw Chinese Communist forces out of Korea. Li Mi attempted at least two more incursions into the Yunnan with identical results. Many of the Nationalists that invaded China blended into the Yunnan populace, in a region eventually to gain recognition as a major world supplier of opium and its refined product heroin (hence the term "Golden Triangle"). The CIA was forced to mount a major effort in later years to transport many other surviving Nationalists back to Taiwan, an effort the CIA was unsuccessful in concealing from the public eye.

The use of Burmese territory as a staging base for paramilitary operations into neighboring China represented a real threat to Burmese national security. The threat of inciting hostility from Peking toward Burma and possible retaliation as a result of such operations was genuine. Burmese government officials had never sanctioned Li Mi's presence in Burma for that reason. Li Mi would later become a direct threat to the government of Burma as his Nationalists joined forces with Burmese tribesmen in their revolt against the government in Rangoon. Burmese officials suspected US intervention in the operation, and later severed diplomatic ties with the US when American officials refused to acknowledge any involvement with General Li Mi and his Nationalist forces.

Recognizing a changing environment: WW II to the Post-war period The Berlin blockade of May 1948 to May 1949 stimulated an immediate response from the West to Stalin's Communist-imposed influence in Europe. The blockade was the first direct confrontation between the US and the USSR, so recently allies in the Second World War. Historians frequently identify the blockade and the subsequent US-sponsored airlift as the start of the Cold War. When air samples collected over Russia by an American reconnaissance aircraft in August 1949 confirmed that the Soviets had detonated a nuclear device, the stakes for future direct military conflict between the US and the USSR raised dramatically. The US underestimated the effectiveness of the measures taken by Moscow at the outset of the Cold War to purge dissident populations through 'relocation', replacing them with communities of dedicated Bolsheviks. This relocation effort effectively isolated remaining partisan elements, facilitating the Soviet intelligence service's emplacement of agents into the partisan community at will to use in manipulating Western intelligence agencies. The Nazis had been relatively unsuccessful in penetrating OSS covert operations during World War II. The Soviets, in comparison, placed a high priority on counterintelligence and by 1950 had "seeded" KGB operatives throughout the remaining partisan networks.

Dealing with various resistance and groups and governments-in-exile proved a much greater challenge than most anticipated in the post-war period. Competition between various groups vying for political clout and American backing diverted energy from a paramilitary program. Groups sponsored by the CIA often spent more time and effort fighting each other than against the Communists. Compounding this problem was the tendency among leaders of émigré and resistance groups to grossly exaggerate the

size and degree of activism of the groups they represented in order to bolster their chances with Western governments.

During World War II, nationalism seemed to be a unifying factor in France and Norway, the single focus of the resistance being the expulsion of Axis occupation forces. Few in the CIA had the experience of Franklin Lindsay with Tito's Partisans in Yugoslavia to see first-hand the deleterious effects that an internal struggle for power can have on a covert paramilitary program. Consequently, many in the Agency dismissed Lindsay's conclusion as overly pessimistic that partisan objectives will always supersede any objectives 'imposed' from the outside. Lindsay had witnessed the erosion of American influence with Tito as the Partisan population focus returned toward the end of World War II to post-war control of Yugoslavia. The US never adequately addressed the impact of civil conflict within a country, and several of the covert paramilitary programs initiated by the CIA in the post-war period suffered as a result.

One of the most significant differences in the operating environment following the end of World War II was the intended object of the paramilitary action. Whereas the target of US paramilitary activity in World War II was an army of occupation, the target in the post-war period had become a political ideology. The difference had a tremendous impact on the methodologies used by and ability of the CIA to sustain the focus and morale of the sponsored resistance elements. The CIA struggled to find an appropriate and effective means of operating in this new environment, and the results of its various covert paramilitary operations reflect the challenges of the time.

Paramilitary operations in the post-war period: were they worth it?

As the Senate Select Committee concluded in 1976, "Net judgments as to 'success' or 'failure' [of covert operations] are difficult to draw."⁽⁸⁷⁾ The Committee used a set of five factors in an attempt to determine the degree of success for the various covert operations they analyzed: (1) executive command and control; (2) secrecy and deniability; (3) effectiveness; (4) propriety; and (5) legislative oversight. The Committee found that as a general rule covert operations must remain consistent with national policy and national strategy in order to have any chance of success. The two principal criteria for success used by the Committee in its evaluation were achievement of the policy goal and maintenance of deniability. The Committee concluded that "On balance, in these terms, the evidence points toward the failure of paramilitary activity as a technique of covert action."⁽⁸⁸⁾

Opinions vary among those who were actively involved in US covert operations following World War II, yet most caution against judging the merits of those operations at face value. Harry Rositzke, a CIA espionage officer in the 1950's, is one of those offering a counterpoint to the popular notion that the results of the CIA's 'crash' covert paramilitary program were simply not worth the effort. "No claim can be made for a significant return on the heavy investment in these cross-border operations To dismiss these operations as a total failure, however, is perhaps too smug . . . the first generation of CIA operations officers was learning its trade by doing, by developing know-how, both in what to do and what not to do."⁽⁸⁹⁾

Rositzke, like so many former CIA officers, contends that results must be considered in the context of the environment in which the operations took place--not the present period. In retrospect, it is easy to categorize the entire US covert paramilitary program a complete disaster. "At the time, however, when a Soviet military offensive was considered imminent, it was a wartime investment whose cost was not measured by the Pentagon."⁽⁹⁰⁾

Ideas for paramilitary activity flowed from every level: overseas CIA station officers, embassy officials, State and Defense Department executives, and the National Security

Council all volunteered ideas for potential "projects." All proposals by law required NCA approval--very few were returned disapproved.

1. The Office of Policy Coordination (OPC) in the CIA, under the direction of Frank Wisner, used a "project" system of managing covert operations, assigning individual officers as project managers. OPC officer performance evaluation was based to a large degree on the number of projects initiated and directed, hence it became advantageous for OPC officers to continue projects as long as possible. The 1976 "Church Committee" report to Congress identified this fault as a primary organizational failure in the CIA during this period.

2. Harry Rositzke, *The CIA's Secret Operations: Espionage, Counterespionage, and Covert action*, Westview Encore Edition. (Boulder: Westview Press, 1988), 166.

3. John Lewis Gaddis, *The United States and the Origins of the Cold War, 1941-1947*, (New York: Columbia University Press, 1972), 353.

4. William Colby and Peter Forbath, *Honorable Men: My Life in the CIA*, (New York, Simon and Schuster, 1978), 91.

5. History Project, Strategic Services Unit, Office of the Assistant Secretary of War, War Department, War Report: Office of Strategic Services (OSS), (Washington, DC: GPO, 1949), 1: 79.

6. History Project, 1: 80.

7. History Project, 1: 81.

8. "Kachin" is actually a collective term used to describe the Chingpaw and other allied native Burmese tribes.

9. History Project, 1: 84.

10. Colby, *Honorable Men*, 25.

11. William Colby, former Director of Central Intelligence, interview by author, 4 January 1995. Mr. Colby volunteered for active duty as a 2d Lieutenant in the US Army in August 1941 before transferring to the Office of Strategic Services (OSS) in 1943. His covert paramilitary experience during World War II included operations in both France and Norway as a team leader. Colby left the OSS at the end of the war, but returned to the CIA in 1950. Colby's career with the Agency spanned three decades, and he retired after serving as Director of Central Intelligence (DCI) from September 1973 to January 1976.

12. G. J. A. O'Toole, *Honorable Treachery: A History of U.S. Intelligence, Espionage, and Covert Action From the American Revolution to the CIA*, (New York: The Atlantic Monthly Press, 1991), 407.

13. Colby interview.

14. Colby, *Honorable Men*, 44.

15. Colby interview.

16. Colby, *Honorable Men*, 46.

17. Franklin Lindsay, *Beacons in the Night: With the OSS and Tito's Partisan's in*

Wartime Yugoslavia, (Stanford: Stanford University Press, 1993), Author's preface, ix.

18. Lindsay, *Beacons in the Night*, 107.

19. Franklin Lindsay, former OSS and CIA officer, interview by author, 18 January 1995. Mr Lindsay was an OSS officer when he parachuted into Yugoslavia in May of 1944 to work with Tito's Partisans. Lindsay spent seven months "inside the Third Reich" with the Partisans, and was in a unique position to observe first-hand the challenges of generating a paramilitary operation in the midst of an ongoing civil war.

20. Lindsay interview.

21. Lindsay, *Beacons in the Night*, 194.

22. History Project, 1: 84. Whether this is the official US Government definition for unvouchered funds or the CIA's interpretation is not clear. The passage nonetheless provided an adequate working description of the concept of unvouchered funds for my analysis.

23. History Project, 1: 144.

24. History Project, 1: 405.

25. Richard Dunlop, *Donovan: America's Master Spy*, (Chicago: Rand McNally & Co, 1982), 438.

26. History Project, 1: 406.

27. History Project, 2: 219-220.

28. O'Toole, *Honorable Treachery*, 407.

29. Tom Moon, *This Grim and Savage Game: OSS and the Beginning of U.S. Covert Operations in World War II*, (Los Angeles: Burning Gate Press, 1991), 324-325.

30. History Project, 2: 221.

31. History Project, 2: 199.

32. Lindsay, *Beacons in the Night*, 104-106.

33. Moon, 204.

34. Lindsay interview.

35. Michael Warner, Ed., *The CIA Under Harry Truman*, (Washington DC: History Staff, Center for the Study of Intelligence, Central Intelligence Agency, 1994), 11.

36. Rositzke, 2.

37. U.S. Congress, Senate, Select Committee to Study Governmental Operations With Respect to Intelligence Activities, Final Report: Supplementary Detailed Staff Reports on Foreign and Military Intelligence, 94th Cong., 2d sess., 1976. S. Rept. 94-755, 1: 153.

38. Walter L. Pforzheimer, former CIG and CIA legislative council, interview by author, 3 February 1995. Pforzheimer, a retired US Army colonel, joined the CIG in February

1946 as legislative counsel. Colonel Pforzheimer stayed on with the CIA in the same capacity, serving as legislative council through 1956. As legislative council, Colonel Pforzheimer was the principal Agency official responsible for the drafting and passage through Congress of the CIA portions of the National Security Act of 1947.

39. U.S. Congress, Final Report, 1: 144.

40. Pforzheimer interview. The Forrestal Diaries contain no specific reference to such a conversation. Secretary Forrestal's appointment calendar was quite full during the days immediately following the Communist coup in Czechoslovakia, including at least one meeting with DCI Hillenkotter. Colonel Pforzheimer, who was then Houston's assistant general counsel, recalls the series of discussions taking place just after the Communist coup in Czechoslovakia.

41. Pforzheimer interview.

42. Warner, 174.

43. Warner, 174.

44. Warner, 195.

45. Warner, 195.

46. Rositzke, 2-3.

47. Warner, 214.

48. Warner, 215-216.

49. Warner, 201-205.

50. Warner, 235-239.

51. Tom Bower, *The Red Web: MI6 and the KGB Master Coup*, (London: Aurum Press Ltd., 1989), 89.

52. Pforzheimer interview.

53. Pforzheimer interview.

54. James Macarger, former CIA officer, interview by author, 20 December 1994. A State Department foreign service officer, Macarger was drafted into the OPC by Frank Wisner based on his background and expertise in Balkan and Central European affairs. Macarger had been closely monitoring developments in Albania for the State Department, and was the logical choice to head up an American contingent to the joint British SIS-CIA paramilitary effort. Although Macarger did not stay with the project through to its conclusion, he was the officer in charge during planning and the initial phases of execution.

55. US Congress, Final Report, 1: 147, and 2: 31-32. The Senate Select Committee--more commonly referred to as the "Church Committee" after Senator Church--conducted an exhaustive investigation of all CIA covert activity since the inception of the Agency. Books one and four detail the rapid expansion of OPC, including a personality sketch of the brilliant and strong-willed Wisner.

56. Rositzke, 166.

57. Thomas Powers, *The Man Who Kept the Secrets: Richard Helms and the CIA*, (New York: Alfred A. Knopf, 1979), 44.

58. Rositzke, 171-172.

59. Bower, 105.

60. Powers, 44-45.

61. The "10/2" panel, known by a variety of terms, was the panel established by the National Security Council to oversee US covert activity. If the panel accepted a proposal, it forwarded a recommendation to the President for final approval.

62. Macarger interview. On this point Macarger contradicts the majority of the published accounts on Albania which identify the principal objective as unseating Hoxha. Macarger makes the clear distinction in the case of Albania between inciting a rebellion and determining the feasibility of inciting a rebellion. The distinction is more than simple semantics. There is a significant difference in the level of effort and political ramifications between the two scenarios.

63. Rositzke, 173.

64. Macarger interview.

65. John Prados, *Presidents' Secret Wars: CIA and Pentagon Covert Operations From World War II Through Iranscam*, (New York: William Morrow, 1986), 48.

66. This speculation was offered by James Macarger, and appears the most plausible explanation. Macarger did not stay with the "project" until its termination, and therefore was not privy to discussions concerning Albania as the effort tailed off.

67. Lindsay and Macarger interviews.

68. Macarger interview.

69. Macarger interview.

70. Macarger interview.

71. Lindsay interview.

72. Lindsay and Macarger interviews.

73. Powers, 44-45.

74. Typescript digest of report by Franklin Lindsay, including members from Harvard Univ., *Covert Operations of the United States Government*, 1 December 1968, 3.

75. Rositzke, 169.

76. Bower's *Red Web* and Rositzke's *The CIA's Secret Operations* both contain descriptions of the operation.

77. Warner, 214.

78. Rositzke, 169.

79. Rositzke, 168.

80. Rositzke, 168.

81. Rositzke, 169.

82. Lindsay interview. Lindsay left the OSS at the end of World War II, but was asked by Frank Wisner to return to the CIA and join the Office of Policy Coordination (OPC) as Chief of Operations. With the expansion of OPC, Wisner reassigned Lindsay as the head of OPC's Eastern European station. Lindsay was initially optimistic about operations in Eastern Europe. In Lindsay's words, "[I]t was only after we got some bloody noses that I began to doubt that this was the right thing to do."

83. Lindsay's typescript digest Covert Operations of the United States Government, 7.

84. John Ranelagh, *The Agency: The Rise and Decline of the CIA*, (New York: Simon and Schuster, 1987), 137.

85. Sam Halperin, former CIA officer, interview by author, 13 January 1995. A former research analyst with the OSS, Halperin spent 18 years with the SSU, CIG, then the CIA as an operations officer in the Far East. Much of this account on the OPC's paramilitary operation in Korea is based on Halperin's recollection, since very little has been published to date. Prados' *Secret Wars*, pp 73-77 contains a description of the operation, but is difficult to verify due to the lack of cited sources on the details of the operation.

86. Halperin interview. Halperin was not present at the meeting, but was briefed shortly afterward on the matters discussed and General Smith's response to the proposition on Korea.

87. U.S. Congress, Final Report, 1: 154.

88. U.S. Congress, Final Report, 1: 155.

89. Rositzke, 50.

90. Rositzke, 37.

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