

# RIPON FORUM

FEBRUARY, 1970

VOL. VI, No. 2

ONE DOLLAR

## A Message from the President

**A**t a time when many young people fear that their ideas cannot have an impact on American politics, the members of the Ripon Society have effectively proven otherwise. By thinking long and hard about public problems and by arguing its positions in a vigorous and reasonable manner, the Ripon Society has notably enriched our political dialogue. Its research on issues such as revenue sharing, welfare reform and the draft has made an important contribution to the evolution of national policy.

As you may have noticed from time to time, your conclusions usually arouse opposition as well as support. But that is not a bad thing, for intellectual controversy is essential for social progress. Neither the Republican party nor the American government can be effective in the 1970's unless they are vital and venturesome institutions, always receptive to the new ways of looking at public problems. That is why the party and the government welcome Ripon's impatience with the tired approaches of the past and its readiness to explore ideas "whose time is coming."

I have followed with interest the impressive growth of the Ripon Society since I first met with a delegation of its members shortly after its founding. To all who gather tonight to hear my good friend, John Anderson, I extend my warm greetings. And I offer sincere congratulations and best wishes to the members of the Ripon Society as you celebrate your seventh anniversary.

Richard Nixon  
Text of a telegram to Ripon's  
Seventh Anniversary Dinner  
Washington, D.C.  
January 17, 1970

# SUMMARY OF CONTENTS

## GUEST EDITORIAL

Congressman **John B. Anderson**, Melvin Laird's successor as third ranking Republican in the House, was the principal speaker at Ripon's Seventh Anniversary Dinner. Part of his remarks addressed the dangers facing the GOP; he feels the most profound threat is a policy of exclusiveness. To govern (and be reelected) the Republicans must move to make their party safe for diversity. —3

## POLITICAL NOTES

—5

## STATE SPOTLIGHT

The Sooner State is a political paradox. The GOP holds most of Oklahoma's higher elective offices but appears dangerously vulnerable in the 1970 elections. **Stephen Jones** focuses on the Governor's race, outlining the spotty record of the GOP incumbent, Dewey Bartlett and the three Democratic hopefuls nipping at his heels. —6

## SPYING, THE CIA AND THE NEW TECHNOLOGY

Agency and gadgetry — the balance in the spying trade has shifted to the latter. **Robert D. Crangle** explains the historic development of full-time, peacetime espionage, the phasing out of the agent, the phasing in of equipment from the U-2 to the MOL, from computer translators to delicate seismographs. The CIA and its sister spy outfits spend a pile on all this gadgetry, and the author examines how the public and Congress can obtain better surveillance of the agencies whose job it is to "read other people's mail." —7

## YEAR AFTER POLL RESULTS

Ripon readers have definite opinions — and they unburdened themselves on resident pollster **Ralph B. Earle, Jr.** You may not have given Agnew an F or supported Lindsay as the great white hope . . . But you should be mildly surprised at the average-Riponer's opinions on the past and the clouded future. —15

## BOOK REVIEW

**Urban Dynamics**, according to author **James Hester**, is the product of an MIT professor and an IBM computer. These improbable parents have foaled a comprehensive model of the life cycle of a "typical" U.S. city. This model is to be used as a tool by policy makers. Mr. Hester evaluates the import of the book and comments on the trend of extending systems analysis into social planning and policy evaluation. —17

## REPRIVATIZED FOREIGN AID

When is foreign aid not foreign aid? Perhaps when government (and the taxpayer) don't pay the bill. A model agricultural development corporation in the Mexican village of Heujobitan may mark the new departure in "foreign aid" as private and profitable investment. **John Simmons** describes how it all works and the practical application to all of third world agriculture. —19

## 14A ELIOT

—23

## LETTERS

—23

## 1969 ANNUAL REPORT

National Executive Director **Quincy Rodgers** reviews 1969 and charts 1970. Includes a complete financial review since 1965. —24

**THE RIPON SOCIETY, INC.** is a Republican research and policy organization whose members are young business, academic and professional men and women. It has national headquarters in Cambridge, Massachusetts, chapters in eleven cities, National Associate members throughout the fifty states, and several affiliated groups of sub-chapter status. The Society is supported by chapter dues, individual contributions and revenues from its publications and contract work. The Society offers the following options for annual contribution: Contributor \$25 or more; Sustainer \$100 or more; Founder \$1000 or more. Inquiries about membership and chapter organization should be addressed to the National Executive Director.

### NATIONAL GOVERNING BOARD

#### Officers

- \*Josiah Lee Auspitz, **President**
- \*J. Eugene Marans, **Chairman of the Board**
- \*Christopher T. Bayley, **Chairman of the Executive Committee**
- \*Howard F. Gillette, Jr., **Vice President**
- \*Robert L. Beal, **Treasurer**
- \*Frank E. Samuel, Jr., **Secretary**

#### Boston

- \*Robert Gulick
- Martin A. Linsky
- Michael W. Christian

#### Cambridge

- \*Sam Sherer
- Howard L. Reiter
- Marc Glass

#### Chicago

- \*Harold S. Russell
- John A. Bross, Jr.
- Benjamin C. Duster

#### Dallas

- \*Neil D. Anderson
- Howard L. Abramson
- Robert A. Wilson

#### Hartford

- \*Nicholas Norton
- Alvin Dozeman
- William S. Glazier II

#### Los Angeles

- \*Melvin H. Bernstein
- Edward H. McAniff
- Richard J. Ward, Jr.

#### New Haven

- \*William E. Craig
- Paul C. Capra
- William H. Jeffress, Jr.

#### New York

- \*Richard Zimmer
- Robert L. Musser
- Judith C. Semmer

#### Ex-Officio At Large

- \*Clair W. Rodgers, Jr., **National Executive Director**
- Michael S. Lottman, **Editor of the Ripon FORUM**
- Michael F. Brewer, **Political Director**
- Howard L. Reiter, **Research Director**

- \*National Executive Committee Member
- \*\*Past President or Chairman of the Board

**THE RIPON FORUM** is published monthly by the Ripon Society, Inc., 14a Elliot Street, Cambridge, Massachusetts 02138. Second class postage rates paid at Boston, Massachusetts. Contents are copyrighted © 1970 by the Ripon Society, Inc. Correspondence addressed to the Editor is welcomed.

In publishing this magazine the Ripon Society seeks to provide a forum for fresh ideas, well-researched proposals and for a spirit of criticism, innovation, and independent thinking within the Republican Party. Articles do not necessarily represent the opinion of the National Governing Board or the Editorial Board of the Ripon Society, unless they are explicitly so labelled.

**SUBSCRIPTION RATES** are \$10 a year, \$5 for students, servicemen, and for Peace Corps, Vista and other volunteers. Overseas air mail, \$10 extra. Advertising rates on request.

**Editor:** Michael S. Lottman

**Associate Editor:** Evelyn Ellis

**Technical Editor:** John Woodman

**Contributors:** Christopher W. Beal, Duncan K. Foley, Philip C. Johnson, William D. Phelan, Jr., David Omar White.

**Circulation Dept.:** Joanne Bing

#### Correspondents

- Mrs. Barbara Mooney, **Conn.**
- Maggie Nichols, **California**
- Alex M. Hehmeyer, **No. Calif.**
- James F. McCollum, Jr., **Florida**
- Cullen Hammond, **Georgia**
- Michael McCreery, **Idaho**
- Blaine Edwards, **Idaho**
- Ben Violette, **Illinois**
- J. Kenneth Doka, **Indiana**
- Burton Southard, **Indiana**
- Terrence Dwyer, **Iowa**
- Gary Scott Nunley, **Kansas**
- Henry Bernstein, **Louisiana**
- William A. Merrill, **Mass.**
- Don Fowler, **Maine**
- Terrence Dwyer, **Michigan**

- Douglas C. Watson, **Minnesota**
- John Evans, **Missouri**
- Arthur F. McClure, II, **Missouri**
- William Harding, **Nebraska**
- Charles O. Ingraham, **New York**
- William K. Woods, **Ohio**
- Stephen Jones, **Oklahoma**
- Eric R. Blackledge, **Oregon**
- Richard Ober, Jr., **Pennsylvania**
- Donato Andre D'Andrea, **E. I.**
- Bruce M. Selya, **Rhode Island**
- William H. Linder, **So. Carolina**
- Stanford M. Adelstein, **S. D.**
- T. William Porter, **Texas**
- Robert R. Murdoch, **Virginia**
- W. Stuart Parsons, **Wisconsin**

# Making the GOP Safe For Diversity

Lest we become complacent as the party in power, it may be well to point out now that there are shoals ahead, dangers which could threaten our unity and effectiveness as a political party capable of governing the United States of America. The first such danger is sectionalism.

We have heard a good deal in Washington these past few months about the so-called "Southern strategy." There may be a short-sighted few who see an Emerging Republican Majority based on writing off one or more sections or groups within our country. The charge has been made that the Nixon Administration, under the subtle direction of Attorney General Mitchell, is making a calculated attempt to woo the conservative South at the expense of the more liberal Northeast. I cannot speak for the Attorney General, or for his appointees. I do feel that the President himself has clearly repudiated a "Southern Strategy," or any other strategy based on sectional interests. I believe he understands that such a strategy would be folly for the party and tragedy for the nation.

## ALTERNATE STRATEGY

But if the Republican Party cannot afford a "Southern Strategy," does that mean that we write off a strategy for the South? No. Now a vigorous and effective Republican party, led by young and attractive men, is emerging in the South to challenge the moribund Democratic party for the imagination of the electorate across this great region. Republicans in Richmond this very night are celebrating the election of the first Republican Governor of Virginia since the Civil War. Linwood Holton promises to bring forward-looking government to Virginia and fresh, moderate appeal to the emerging Southern G.O.P. In Texas the party is putting up one of its most attractive young Congressman, George Bush, for the Senate seat now held by an aging and uninspired Democrat. It is happening across the South — new energy released by new competition, based not on an appeal to prejudice but on an appeal to the hopes of all Southerners for progress and development.

As a party we need a Strategy for the South. In shaping that strategy we must reject the pull of sectional interest and prejudice. Our party must be inclusive, not exclusive. As our society is complex and

pluralistic, as our nation's needs and concerns are many and varied, so must we preserve the party's responsibility to speak to all those needs and concerns. We want the South, but we want the Northeast too. We want the Holtons and the Bushes, but we want the Lindsays and the Sargents as well. Our challenge is to make the Republican Party safe for diversity.

There is a second shoal which we must avoid, and that is the danger of polarization in our body politic. Some political commentators have become accustomed to calling the Democratic Party the party of the young, the poor and the blacks. At the present time, let us admit it, much of the appeal of the national Democratic Party is aimed at the "out" groups in our society — the poor and the black, the alienated educated, and the young, although the recent year-end statement of Democratic National Chairman Harris, in which he seized on crime and inflation as the viable issues for 1970 may herald an attempt to shift the appeal to Mr. and Mrs. Middle American. But we cannot afford to leave these groups entirely to the Democrats. We cannot afford to become the party of the elderly, the affluent and the white. The young will elect tomorrow's presidents. The educated will shape tomorrow's opinions. The poor and the black will dream tomorrow's dreams. Let us look for a minute at each of these groups.

## THE ONLY HOPE?

In an article entitled "The Failure of Black Separatism" civil rights leader Bayard Rustin reaches the conclusion that "it is the trade union movement and the Democratic party which offer the greatest leverage to the black struggle." He reaches this conclusion in large part because of the expressed belief that "the Democratic Party is still the only mass-based political organization in the country with the potential to become a majority movement for social change." I find it not only interesting but I believe inconsistent to ascribe all of this to a party which has only the potential, i.e., the future possibility and then to claim that it represents the only hope for major social change.

Mr. Rustin's article was presumably written before the vote in the House on the Philadelphia Plan which was, of course, rescued from certain death only by strong support from the President, Secretary Shultz, Arthur Fletcher and others in the administration and a clear majority of Senate and House Republicans. This plan to bring blacks into the skilled trades of the construction industry has been dismissed by George Meany as a "concoction and contrivance." Rather than brook his wrath many of my liberal Dem-

---

*This editorial is taken from remarks made by The Hon. John B. Anderson, Member of Congress and Chairman of the House Republican Conference, at the Ripon Society's Seventh Anniversary Banquet, January 17, 1970.*

---

ocratic colleagues voted to sandbag the Philadelphia Plan even as they were genuflecting to the cause of civil rights.

I was interested to read Mr. Meany's remarks this week before the Press Club where he issued a devastating reply to the charge, to quote him: "You don't let the black boys into the highly skilled trades. They only do the low wage, dirty jobs." To all of this George merrily replied — it ain't so — there are no low wage jobs in the building trades and all the jobs are dirty.

Quite in contrast to Bayard Rustin a distinguished Negro journalist Carl Rowan says in answer to the question: Is the black man chained to the Democratic Party? "Absolutely Not!" But I am sure Mr. Nixon is aware as anyone that whereas he polled 1 out of every 3 black votes in 1960 in a narrow loss to John Kennedy that in 1968 he received less than 1 out of 10 of those votes. I am willing to agree that it will be a tough job to convince blacks that some form of Southern strategy is not in operation or that we do not disdain their votes. It must be done; it can be done. Let us continually point out to them that the Administration's strong stand on the Philadelphia Plan to push for more high paying jobs in the skilled trades for blacks is hardly consistent with a Southern strategy. The Administration's Family Assistance Program, the commitment to abolish hunger, the battle to mass-produce low-cost housing under Operation Break-through are evidence that the Republican Party and the present Administration are aware of the unmet social needs of our country.

### ALIENATED ARLO

What we have said about the blacks and the poor applies with equal force to the young, and especially to those whom I have called the "alienated educated."

I was interested in what Arlo Guthrie had to say recently in an interview with Mel Gusson of the *New York Times*.

"We're not a whole group of people involved in a plot. Some look strange. They act strange. Some look ferocious. Some look gentle. They do things that are paradoxical, that make no sense at all. It's only by making no sense that you can make some sense, by having no self-gratifying goal that you can ever really fulfill yourself. Until everybody finds that out, they're going to be uptight, upset, popping uppers, downers, drinking booze, smoking dope. Instant Glory!"

I believe that the Republican Party must be a party which speaks to the youth of our time — to those who may look strange and act strange; to those who look both gentle and ferocious. I myself have often chided those of the present generation of youth who although they manifest great concern have not truly demonstrated any great commitment. To which

they reply, commitment to what? To institutions which have grown threadbare in their attempt to impart a respectable covering for the bare bones of irrelevance and inaction which might otherwise be exposed. They echo something of the feeling of Pascal who said, "Judges have to wear wigs and robes to hide the inadequacy of the justice they dispense, which would otherwise be all too apparent." This is not to single the judiciary out for special opprobrium. There are many other institutions of corporate society of equal vulnerability.

### IN NEITHER PARTY

Back in 1964 the Ripon Society counselled a moderate course of progressive Republicanism in the statement entitled: "A Call to Excellence in Leadership." You said that "we must win the confidence of the New Americans who are not at home in the politics of another generation." Today with 24 million Americans between 21 and 29, only 22% consider themselves Republican; 38%, Democrats; and the largest bloc, 40%, rate themselves as Independents with no desire to identify with either party.

As someone who is dedicated to the preservation of the essential framework of our American political system, I find these deeply disturbing statistics.

What the Gallup poll indicated was that the vast majority of our educated young people do not feel that political parties are fulfilling their function; they are not working and perhaps not worth preserving. We have to ask whether the Republican party is worth preserving. I passionately believe that it is. But what the young are forcing us to do is to ask whether the principles that have served us so well are being applied as intelligently and tenaciously as possible to the new problems that we face.

### GOP CHALLENGE

The challenge to our party and a group like Ripon is to develop programs that will be effective and whose potential consequences have been explored and are known as fully as possible.

This is your seventh year. Seven is the number which to some represents a time for pause. We speak of a sabbatical leave. The Scriptures often used the number seven to represent perfection or completion. "And on the seventh day God ended his work which he had made, and he rested on the seventh day." However, aside from Biblical numerology I find no reason to assume that this young, virile, and purposeful organization has reached a plateau of mere contemplative activity. Rather, I would like to think you have just struck your base camp and are beginning an assault on those sheer and often dangerous sides of the mountain that represent continuing challenge to those who have not been captured by the establishmentarianism of the age.

# Political Notes

---

## TENNESSEE: a not so improbable candidate

---

The improbable senatorial candidacy of Woodward Maurice "Tex" Ritter, the 65-year-old cowboy singer, may not be so improbable after all. Ritter, the veteran movie actor and Grand Ole Opry star, announced his candidacy for the Republican Senate nomination shortly after the beginning of the year. The idea at first may have seemed ludicrous to some — and besides, the GOP already had a Senate candidate in U. S. Representative William E. Brock of Chattanooga.

But on closer inspection, Ritter appeared to have some qualifications for the job (or at least the nomination). As would any GOP (or Democratic) hopeful in Tennessee, he stood to the right of the incumbent, Democrat Albert Gore. ("He could at least have supported Judge Haynsworth," Ritter said of Gore.) On the other hand, Ritter offered an alternative to the unrelieved conservatism of Congressman Brock. And besides his keen interest in politics, Ritter could point to a political science degree, somewhat dusty, from the University of Texas, as well as two years of law school. Finally, Tennessee politicians still remembered how county singer Roy Acuff, running for Governor in 1948, drew huge crowds, carried 27 counties in the general election, and ran up the biggest Republican vote total ever recorded in Tennessee up to that time.

Ritter is identified with the Howard Baker wing of the Tennessee GOP, and his candidacy did not delight the members of the other wing, led by Brock. Senator Baker himself has maintained a hands-off attitude, but Ritter will form a "ticket" with gubernatorial candidate Claude Robertson of Knoxville, Baker's 1966 campaign manager and a staunch Baker ally. Robertson appears to be the leading Republican contender for Governor, although others — like Maxie Jarman of the Genesco industrial complex, former Mental Health Commissioner Dr. Nat Winston, House Speaker William Jenkins of Rogersville and State Senator Thomas Garland of Greenville — may yet come to the surface.

---

## VERMONT: a split ticket

---

A rift between Governor Deane C. Davis and his Lieutenant Governor, Thomas Hayes, seems to have been smoothed over — for the moment. Hayes has announced that he will neither run for reelection nor run against Davis in the upcoming primary — but the Lieutenant Governor has not foreclosed the possibility of seeking office as a Democrat.

The split between the two broke into the open when Hayes joined former Democratic Governor Philip Hoff in speaking to crowds of students and other dissenters on the University of Vermont campus on Moratorium Day

last October. One month later, the Governor held a rally supporting the Administration's position in Vietnam on the grounds of the state capitol while Hayes was participating in the March on Washington.

A splinter group calling itself "The New Party" is drawing publicity if little widespread support. Composed primarily of former backers of Senator Eugene McCarthy and Robert Kennedy, the party is reportedly trying to win over Hayes. The Lieutenant Governor has not turned down their bid but neither has he indicated more than a passing interest in their activities.

Governor Davis seems determined to run for a second term this November. His January 8 address to the Legislature on pollution and environment proposed an overall land development plan and strict permit requirements for dumping of wastes into the Green Mountain State's rivers or lakes. Davis has also developed a government reorganization plan creating a cabinet form of State government with eight secretaries. In addition, President Nixon's family-assistance program may go into effect in Vermont as a pilot project. The additional \$5 million in federal funds would be a boon to Davis' popularity. The Governor's son, Thomas Davis, is OEO director for Vermont. Appointed by Governor Hoff, Davis developed a negative income tax plan similar to the model proposed by the President. Welfare has been a touchy subject for Davis. The resignation of State Welfare commissioner John Wackerman and legislative and executive investigations have caused morale within the department to plummet. But Davis, with a 100-50 majority in the Vermont House and a 22-8 majority in the Senate should have little trouble enacting his legislation and coming before the voters as a successful, concerned and progressive Governor and candidate.

In other races, Congressman Robert Stafford will probably run unopposed for the lone House seat. Former Governor Hoff is expected to announce for the Senate seat held by Winston Prouty. Hoff is expected to play on Prouty's support of the ABM, Haynsworth and the Nixon Vietnam policy.

---

## FLORIDA: Kirk balks; is off and running

---

Claude Kirk, Florida's first Republican Governor in 94 years, has evidently carried his campaign for reelection all the way to Washington. Kirk politely informed the U.S. Supreme Court in January that his state was "financially and physically unable" to meet the court's deadline for immediate school integration. In a carefully hedged motion delivered personally to the court, Kirk said he would order all affected Florida counties "not to alter or change the school calendar during mid-year." or to "take any action which would cause the schools to close in order to transfer personnel and pupils, and not to incur any expenses for which current county and state funds are unavailable."

—please turn to page 22

## **Bartlett and the Sooner State Paradox**

Oklahoma Republicans today hold five of the state's major elective offices — U.S. Senator, Governor, Attorney General, Labor Commissioner and Justice of the Supreme Court. A Republican serves by appointment as Superintendent of Public Instruction. And Oklahoma has voted Republican in every presidential election since 1952, except for 1964.

Yet despite all this, Republican chances for re-electing Governor Dewey Bartlett in 1970 are now rated no better than 50-50. There are several reasons for this paradoxical situation.

**GRASS ROOTS WEAKNESS** For one thing, the GOP is still weak at the grass roots. Only a handful of court houses are controlled by Republicans, and in more than half of the counties, there are no Republican office-holders at all. Furthermore, the GOP still holds less than a quarter of the seats in the state legislature, and the party has let Democrats get by even in traditional Republican strongholds.

Past Republican successes in Oklahoma have come primarily as a result of ineptitude and division among Oklahoma Democrats. But the state's Democratic party is not as split as it once was. Besides pulling themselves together, Democrats have also hired a public relations director and generally geared up their party machinery. Furthermore, the three leading contenders for the Democratic gubernatorial nomination all wear the reform label; none of them is associated with the old guard, or more importantly, with the mistakes of the past.

**POLITICAL TABULA RASA** Don Greve, president of Sequoyah Mills, is probably the leading candidate for the Democratic nomination. He has the advantages of good financing, an attractive personality, and a clean political slate. Through his efforts, moreover, several Sequoyah Mills plants have been located in depressed areas of Oklahoma. Greve has hired two old campaigners to give his organization a professional touch; however, to the public, Greve still looks like a young amateur trying desperately to find political allies.

The second Democratic contender, former Tulsa County Prosecutor David Hall, ran a strong third in the 1966 primary, and almost edged into the run-off on the basis of his support in the urban centers. Hall has never ceased running for something, and has the advantage of being better known than either Greve or the third candidate, Jim Jones.

**AN LBJ CONFIDANT** Jones, a young Tulsa attorney, has just turned 31, the minimum age for a Governor of Oklahoma. Jones is a former appointment secretary to President Johnson, and was very much an insider at the White House during the last year and a half of the Johnson Administration. He is attempting to parlay this Washington experience into the basis of a gubernatorial campaign. There is some feeling, however, that he has been out of the state too long, and is attempting to reach too high too soon. Jones is now ranked third among the Democratic front-runners and is given almost no chance to win the nomination. His chances could improve if for some reason Hall drops out of the race. Otherwise, as Hall and Jones are both from Tulsa, they will likely split the urban vote there.

This geographical coincidence is not the only element the three leading Democrats have in common. Hall, Greve and Jones all appeal to the same class of voters — the moderate, young and middle-aged residents of the larger counties. For probably the first time since Oklahoma became a state, there will be no Democratic candidate championing the rural and welfare bloc, which still represents considerable voting strength. Indeed, if Jones, Greve and Hall are the only Democratic candidates, the primary race is likely to turn on personalities, because the programs of the three candidates are almost indistinguishable.

**QUICKIE HIRE AND FIRE** In this type of situation, the initiative is left pretty much with Governor Bartlett. Early in his administration, this would not have been an encouraging development, but lately the Governor has shown greater confidence in himself and in his own judgment and ability than he displayed during his first year in office. In that hectic period, gubernatorial assistants were hired and fired regularly, often on no more than a day's notice; the Governor's personal secretary, press secretary, legal assistant, and administrative assistant all resigned. The Governor also appeared indecisive, forever appointing study commissions or referring matters to his staff. A reporter once noted that Bartlett used the expression, "I haven't come to any final decision on that," 27 times in a single press conference. The Governor seemed preoccupied with bringing new industry to the state; it was difficult to get his attention on any other problem, except perhaps riot control.

Since that time, though, the Governor has shown

*—please turn to page 21*

# Spying, the CIA and the New Technology

Since World War Two the methods of gathering information for national intelligence have changed drastically. Highly trained professional analysts, using advanced technologies as their tools, have created bureaucracies to learn in detail those things which nations prefer to keep secret. The new intelligence methodology, composed of the new technologies and the skilled experts who employ them, has substantially de-emphasized the importance of the traditional espionage agent in collecting and evaluating information.

Espionage agencies have two overlapping functions. One is gathering and processing raw information to create "intelligence." The other is using intelligence to plan and conduct "operations." The abortive Bay of Pigs invasion was an operation; the U-2 flights, often called operations, were in fact missions to collect information.

### THE UNSPECIALIZED SPY

Intelligence must be further divided between information which is physically obvious and that which, like a decision or intention, is not. The first can be seen and/or recorded from overhead or over the horizon, the second cannot be. Before World War Two the distinction had little meaning, because both forms were obtained by agents reporting to headquarters. The agent was sent out to discover the location of the enemy army (something he could see from a distant hill) and to learn when and where the army planned to march (something he could not). He sought out the physical location of military research and development sites, then infiltrated them to ascertain what new projects were being worked on. He mapped communication and transportation networks, but he also tried to intercept messages and examine cargo shipments. He looked for factory complexes and stole production, shipping, and storage schedules. The agent was a generalist.

Only in this century has the gathering of information by agents and other means become a peacetime

phenomenon. The framework of espionage was war; spies were sent out and resident agents were paid to obtain tactical information about impending battles or, sometimes, about persons plotting revolution from abroad.

### IN TIME OF PEACE

The Second World War found the U.S.S.R. with the most extensive and best organized intelligence bureaucracy in the world. The great mass of prior information gathered by the networks was of secondary importance. The significant point was that agents were in place for all wartime eventualities. The Western nations often had only cursory foreign intelligence organizations at that time. Some nations, like the United States, had to construct intelligence and espionage agencies from scratch. The demands of that war, and later happenings, entrenched peacetime espionage. Communications, transportation, and warfare have put the world's countries only minutes apart, with proximity creating a "need to know" independent of shooting war. National freedom of action, if not survival, requires decisions to be based on information often kept secret; to obtain that information requires espionage on a year-in, year-out basis. Today espionage activities are structured to gather two primary kinds of knowledge: of physical events that can be seen or heard from a distance and of events that cannot be. This restructuring took place in World War Two, when the physically obvious/non-obvious distinction assumed great significance.

When the Cold War began, the Allies were nervous and concerned. The Soviet Union was at work on rockets and nuclear weapons, relying heavily on captured German raw materials, equipment, factories, special tooling and technical personnel. In the late 1940's and early 1950's, the threat of deliverable Soviet special weapons was real, but the West had no intelligence on the subject. There were no important agents in the USSR, Russian press and scientific journals were tightly censored, and travel by both natives and foreigners was severely restricted. Unless the Iron Curtain could be penetrated, the Allies faced serious military and diplomatic problems.

### THE CIA UNLEASHED

The solution seemed to lie in the successful World War Two techniques. Aerial photography had been used extensively to locate radar sites, research centers and other physically obvious things. Code-breaking had been employed to learn tactical and strategic enemy plans, and had been especially success-

---

#### THE AUTHOR

*Robert D. Crangle has a B.S. in Nuclear Engineering from Kansas State University and a J.D. from the Harvard Law School. He is employed by Harbridge House, Inc., a Boston-based professional firm that provides research, educational and consulting services to a wide variety of clients. Mr. Crangle has held both local and national positions in the Ripon Society.*

---

ful in the Pacific. Skilled scientific personnel had been used to both analyze data and administer the intelligence attack on the technical problems. In the United States, the CIA was building a staff of educated specialists. Following the 1949 Act that freed it of many bureaucratic entanglements, it reached out towards excellence in analysis of such raw information as could be obtained.

During the Korean War, President Truman took another step in the improved utilization of World War Two techniques. He established the National Security Agency by classified executive order, lodging it in the Department of Defense. NSA became the central code-breaking agency of the United States. Primary input to the staff of cryptanalysts came from air, sea, and land-based listening posts on the perimeter of the Communist nations. The combined CIA-NSA analyses began providing accurate appraisals of both the physically obvious and the physically non-obvious elements of Soviet and Chinese strategy.

The task was to separate meaningful signals from a flood of background noise. Technology held the key. Five fields collectively delineate the technological boundaries of the new intelligence methodology of the U.S. They are data processing; "other" electronics, including ferreting and listening devices; photography; overhead surveillance platforms; and seismology.

#### *Data Processing*

The data processing industry is the youngest but most influential of the five disciplines. Computers are used in normal agency office routine, cryptography, language translation, information retrieval, and other areas. Each of the other four disciplines depends heavily on the use of computers.

The most widespread use of data processing today is the routine office work, such as bookkeeping, supplies inventory, or employee recordkeeping. It is safe to assume that the CIA and NSA exercise computers for this purpose too. Within the agencies different people have access to specific parts of the data base, and the system locks unauthorized personnel out of restricted files. Personnel dossiers contain and index of all the skills represented in, or available to, each agency.

An example of the symbiosis between intelligence and computers is the massive CIA library operation. The CIA subscribes to virtually every publication in the world as part of its overt intelligence collection. Hundreds of thousands of books, magazines, and newspapers in hundreds of languages arrive each month. The intelligence problem is to read each of these, recognize what is pertinent, and disseminate the information to the proper analysts and file records. The CIA would be helpless without such techniques as computerized language translation, automatic indexing, and information retrieval. Language translation

is difficult because it requires knowing the complexities of use and meaning of two sophisticated languages. "Knowing", to a computer, is being programmed with complete synonym tables; that is, when a Chinese word is encountered, the five possible English translations must be contained in a file. The proper translation is indicated by the position of the Chinese word in the sentence, by the use of other Chinese words that explain the context of the sentence in the article, or by some similar structural device. Building adequate translation programs is exceptionally difficult. Millions of dollars have been spent, seemingly only to prove that human translations are far superior. However, the machine translation achieves the desired result of conserving scarce manpower resources for use on the passages where translation is particularly difficult.

#### **SCAN AND MASTER INDEX**

Automatic indexing allows the CIA to do something otherwise impossible because of the magnitude of the operation. Optical scanners read each page of text into computer memory, where the words most frequently used (except for "a", "an", "the", and over a hundred more lacking informational content) are identified. The presence of key words is recorded in a massive master index of words and phrases. If the words "Australia", "submarine", "oceanography", and the phrase "volcanic reef" were key words in a given article, then that article would be referenced under all four words. Once the indexing is completed, the original is stored on microfilm to conserve space. Someone later desiring the complete text goes to a viewing screen and keys in the document number. The entire article is unrolled on the screen before him, after a two to ten second pause. Such indexing is done to facilitate fast retrieval of stored information, one of the most crucial practical uses of the computer.

Analysis of the data processing-intelligence relationship is incomplete without mentioning the vital importance of computers to each of the remaining four technical components of the new methodology now under discussion. Mathematical models simulate new hardware and the testing thereof before they are constructed. Cameras, radar, electronic ferreting equipment, airframes, satellites, seismographs, and all other equipment can be designed on computers for a first approximation (or better) evaluation. Communications networks are planned for maximum dependability, least cost or optimum efficiency by letting computers do the work. New factories, systems, and subsystems are scheduled by computer. Resource allocation is done routinely with data processing. Actual production and assembly-line testing of alloys, chemical compositions, and final hardware are done with special-purpose data-acquisition computers. Computers are an integral part of reconnaissance and surveillance equipment. The data processing industry is both hand-



maiden and midwife to the technologies of the new methodology.

#### *Other Electronics*

"Other electronics" includes the entire panoply of defensive and offensive electronic systems. It includes radar, magnetic tape recorders, electromagnetic reconnaissance receivers, communication and listening devices, countermeasures equipment and the rest of "black box technology." It is the oldest of the five intelligence disciplines. Prior to World War Two the United States Army and Navy regularly listened to messages sent among diplomatic and military missions throughout the world, the task performed today by the NSA. During the Second World War radar became an important tactical weapon in the battles of electronics between Germany and the Allies, and development of sophisticated radar and radar countermeasures was given top priority.

During the Cold War, the United States erected first the Pine Tree Line, then the Mid-Canada, and finally the DEW line of strategic defensive radar. Since the early 1960's radar for ballistic missile defense has been under development and deployment by both the Soviet Union and the United States; radar is the heart of anti-ballistic missile systems under construction.

Electronics are used by intelligence organizations to send and intercept messages, perform and protect surveillance missions, and probe foreign offensive and defensive electronic systems. Message interception has come a long way from the 1929 days when Secretary of State Henry Stimson, discovering that such activity was conducted by his department, shut it down with the comment that gentlemen do not read other people's mail. However, covert interception continued in the armed forces as a proper governmental activity. A notable record exists of message-interception in the Pacific before and during World War II when most Japanese diplomatic and military moves were charted by United States codebreakers.

### **A FLEET OF FERRETS**

The United States initiated ferreting flights along the entire perimeter of the Communist world after the Cold War began. Soviet aircraft began the same function in reverse, with one major distinction: Soviet overflights were much less common than American violations of Soviet air space. The apparent cause was the use made of the electronic defensive equipment that ferrets try to sniff out. The United States kept all of their radar and radio equipment on at all times, allowing Soviet spy planes to record signal strengths, frequency data, point of origin of sending stations, and range from international airspace. However, much of the Soviet radar and radio was turned on only in the event of an actual or threatened overflight. To obtain their data, the American ferrets had to penetrate com-

munist airspace and keep going in until the target equipment was switched on and the required information was obtained. From 1950 until early 1964, 108 American airmen were killed or captured on ferreting missions, according to information then made public. Both nations maintain fleets of ferret ships with "covers," although since the Pueblo incident the United States has announced that its ferret surface ships are being phased out.

#### *Photography*

Aerial photography was used in World War Two to detect targets for bombing runs and to keep track of enemy operations. The advances in both cameras and film since the end of the war have been phenomenal. Most modern U. S. photographic needs are met by using satellites and special aircraft.

Information about both cameras and film is top secret. The requirements of the intelligence community, the sums spent on surveillance platforms, the Washington bureaucracy created to interpret the finished product, and public showings of the photographs allow their performances to be evaluated without access to restricted data. The factors for consideration are precise. The photographs allow objects only one or two inches in diameter to be distinguished; it is reported that under perfect conditions the rank can be read from a Soviet officer's shoulder from 100 to 300 miles overhead. They are taken from above 100,000 feet; that is, above 95 percent or 97 percent of the atmosphere. They are taken from speeds in excess of 2,000 miles per hour. Many are in color. Much of the film is heat-sensitive rather than light sensitive.

### **EXTRAORDINARY FOCUS**

The first conclusion must be that the film is grainless. If grained film were used, the smallest object detectable from 100,000 feet would have to be large enough to chemically activate the average-sized grain. Grain sizes are large enough that distinctions between two objects only an inch apart are unlikely, regardless of the telescopic lens used. The second conclusion is that the cameras must have extraordinary focal lengths, on the order of 400 or 500 inches. Practical considerations for long focal lengths indicate that a folded optics system is used in order to fit the camera into an aircraft's limited fuselage diameter. Third, the shutter must move at electronic, rather than mechanical, speeds (if a shutter is used). Otherwise, regardless of the film and the focal length, small-scale resolution would be unlikely because of blurring. Fourth, laser technology and holography is used to obtain three-dimensional data. Fifth, each photograph must be simultaneously identified with the precise date and time, three-dimensional coordinates of the camera, and the solid angle deflection from a line passing from the center of the earth to the center of the lens. This information allows the analysts to computerize their

operation. When they later want to examine a certain location at a given time they indicate the coordinates and the date to get the desired photograph. The technology is adequate to require the services of over a thousand full-time interpreters (up from one in 1953) supported by exotic equipment at the independent National Photographic Interpretation Center.

The interpretation process can be reconstructed with probable accuracy by comparing published comments, the requirements of efficient analysis, and the capabilities of data processing and other electronics. An analyst sits at a console consisting of a viewing screen and a special keyboard. The latest composite photograph of an area regularly examined by the analyst is projected, seemingly in three dimensions, on the screen. To examine more closely a strange object near the edge of the picture, he moves the picture so that the object is centered. Then, with successive depressions of a button, he "blows up" the object until it fills the entire screen. He uses another button to flash a "heat map" on the screen that enables him to evaluate the temperature of the object and its surroundings. He returns to the original "light map". By pressing buttons he moves his perspective: the three-dimensional image is electronically "turned" so that he can see it from the side and front. Once more he returns to the original image, then requests an historical scan of the location of the object. All previous photographs of the location flash consecutively on the screen, all from the same perspective as the one with the object centered in it. A computerized file search is requested to see if similar objects have been identified elsewhere. Finally the analyst key-enters a description, location, and his judgment of the origin and function of the object and resets the screen to the original composite photograph showing the object as a small something near the edge of the screen. Lasers, holography, data processing and film technology provide information never dreamed of by traditional agents.

#### *Overhead Surveillance Platforms*

An outgrowth of World War Two technology was aerial reconnaissance. Postwar aircraft, and even Korean War planes, were inadequate to act as long-range surveillance platforms. To reach the Soviet heartland required challenging radar, anti-aircraft guns, and interceptors. The first attempt, a joint British-American effort, was to use a Canberra bomber on a flight from Germany to Iran, over the Soviet missile test site. The mission was a success, but the Canberra was nearly shot down.

#### **SAY CHEESE, NIKITA**

The Eisenhower Administration was very concerned about surprise attacks. A subcommittee of a group assembled to consider the problem suggested construction of a radically new airplane that would be able to fly above flak, interceptors, and perhaps even

radar. The CIA, in late 1954, won authorization to begin the project. Lockheed designed, built, and flew the plane by August, 1955. The likelihood is that Lockheed had done much of the work prior to award of the actual contract, and indeed had encouraged the government to proceed. Cameras were assembled for high-altitude photography. President Eisenhower gave the U-2 a trial go-ahead in 1956, and it returned unharmed with superb photographs of the Kremlin.

The U-2 flew continuously over the Soviet Union from 1956 until May Day, 1960, when one was shot down on an otherwise routine mission. Although there was some doubt that the Soviet missile had in fact reached the U-2 at its full operating altitude, further flights over Russia were cancelled. The U-2 was diverted to less dangerous duty. Perimeter flights were made around the U.S.S.R., and reconnaissance overflights of those Communist nations which were unequipped with the improved performance surface-to-air missile. Many other agencies of the government, such as NASA and the weather bureau, were able to use as many U-2's as they could obtain for high-altitude research work.

#### **SON OF U-2**

However, as early as 1957, the CIA was urging that a second-generation high-altitude aircraft be constructed. By the time overflights of the Soviet Union were stopped, Lockheed was well along toward development of the RS-71 (built as the A-12, introduced mistakenly by President Johnson as the A-11 and known briefly as the YF-12A Interceptor). The RS-71 shares very little with the U-2 except Lockheed, lightweight construction, high altitude performance, and a workhorse reconnaissance function for American intelligence agencies. It has been flying at least since 1963, although the date of the first flight is publically unknown.

A Soviet territory reconnaissance gap failed to materialize between the U-2 and RS-71 because the United States had been working at top priority on



orbital reconnaissance satellites. The first such satellite was launched by the Air Force in August, 1960, at the same time that U-2 pilot Powers was on trial for espionage by flying a plane over Soviet territory that was equipped with cameras and tape recorders. The satellites have two methods of returning information: by radio and by parachute drop. Photographs from the first satellite package were said to be almost as good as those from the U-2. There were two series of reconnaissance satellites originally, Midas and Samos. The current programs are under very tight security, but the satellites are providing the most commonly used means for gaining intelligence.

Reconnaissance satellite launches are conducted and paid for by the Defense Department at a cost reported to be about \$1 billion annually. Experience gained from the program feeds into both the NASA space exploration and the Air Force military projects, which in turn provide major assistance to the orbiting surveillance mission. The Soviet Union's "spy in the sky" Cosmos satellites are less frequently launched, but they nevertheless maintain continued photographic and electronic vigilance for Russia. The American Manned Orbiting Laboratory (MOL) program, on which work has been at least temporarily halted, represents the next stage of reconnaissance platform. MOL can be conceptualized in part as an orbiting command post able to direct unmanned surveillance satellites as well as being an inspection station itself. Men, supplies and equipment will be shuttled back and forth with rockets and guided lifting surfaces. Laser technology will provide secure communications to ground stations. The cost of the MOL will be staggering, if continued. The Soviet Union almost certainly is working on parallel developments.

### **NO GROUND AGENTS**

The World War Two low-level aerial reconnaissance programs have mushroomed into the single largest cost component of the American information gathering service. Overhead manned and unmanned platforms have revolutionized intelligence by allowing cameras and electromagnetic surveillance gear to obtain direct evidence of foreign objects which are physically obvious without having to train and deploy ground agents. They have successfully carried out the 1955 Eisenhower "Open Skies" proposal and have done it with neither treaty nor much public notice.

#### *Seismology*

Detection of Soviet underground tests is possible today using electronic surveillance techniques that allow American intelligence officers to sit in on the countdowns from over-the-horizon listening posts. However, the United States wants to keep its exact electronic capabilities and agent locations a secret, to prevent them from being countered.

Seismographs finesse the problems to some ex-

tent. Located in friendly countries or in the United States, they record the exact date and time of an explosion (something electronic interception could also do), the exact location of the blast (already located by reconnaissance), the depth of the explosion and the type of rock it was in (information either an agent or electronic interception could provide), and the probable yield (again, obtainable from an agent or an intercepted message). Seismology protects other sources of information while accomplishing independent, instantaneous detection.

Seismology has been an important technology in American diplomacy since the mid-1950's. The early discussions of nuclear test ban treaties centered on the feasibility of detecting underground and low-yield surface explosions. There was general agreement that seismographic equipment (existing and planned) could not unequivocally detect all nuclear explosions. This scientific reservation, apparently coupled with a paucity of well-placed agents, led directly to the United States bargaining posture that at least some on-site inspections be allowed as part of an underground nuclear test ban treaty. As scientific confidence in seismographic detection and identification increased, the number of inspections demanded by the Americans decreased (but did not vanish). The technical differences among problems of detection in space, the atmosphere, underground and in the ocean were sorted out for independent evaluation.

### **A MEANINGFUL SHOCK**

American seismology ability is unclear. It is least advanced among the five disciplines of the new intelligence methodology and may never equal the capabilities of the others. Continued research and development in using Fourier analysis and statistical methods on repetitive event data will eventually allow detection of very small events. The greatest problem is, and will continue to be, accurate interpretation of recorded seismic data. Computer analysis of seismic information is the only possible means of distinguishing the smaller shocks from the random background. It may someday be possible to follow the progress of drilling, excavation, and mining operations in remote, seismically quiet areas. If so, both civilian and military activity will be followed from great distances.

#### *The New Methodology and the CIA*

The contribution of the five disciplines to intelligence operations has made the CIA one of the leading science-based agencies in Washington. Its raw data is gathered with the world's most advanced aircraft and satellites. The nation's leading research and development laboratories supply it with the latest and best in photographic and electronics recording equipment. It is the primary user of the centralized photographic interpretation unit in Washington. It has a library system that receives, catalogues, and makes

available for instantaneous retrieval well over two million documents annually. Through successes and failures alike, the CIA has recruited and retained an educated, dedicated staff with specialists in astrophysics, Meo culture, and everything in between.

In 1960 the U-2 incident alerted the American public to the new techniques. It was a triumph of the methodology, with mass-production intelligence from aerial reconnaissance and exacting analysis, but it was submerged by the diplomatic and political consequences. Then came the Bay of Pigs, an "operation" planned and directed until the last moment by the CIA in the old tradition of agents, subversion, and espionage. It failed miserably, partly because of faulty intelligence, partly because of a failure of leadership, and partly because it was just too ambitious. The influence of the CIA dropped. Its administration was reshuffled, and the intelligence division fell under the same cloud as the "plans", or operation, side. The Cuban Missile Crisis, just before the 1962 elections, provided the next public viewing of the new intelligence technologies.

### CONSULTING CRATOLOGISTS

Aerial reconnaissance, using both the U-2 and high-speed, low-level aircraft, produced pictures of ships unloading mysterious cargo. Forested areas were observed undergoing radical changes. Photographic interpreters found evidence of surface-to-air anti-aircraft missile emplacements. The CIA staff people who had as their specialty knowledge of crates — where they are made, what they usually or sometimes carry, which governmental agency usually or sometimes uses them — spent hours examining photographs of crates being unloaded from or reloaded on Soviet ships before deciding that they could be carrying missiles. Analysis of message traffic and breaking the messages themselves by the NSA added weight to the analysis. The full impact of the way science and technology were used by the CIA came in early 1963, when, in a two-hour public briefing by Secretary of Defense McNamara, 65 slides of aerial photographs were projected on a 20-foot screen. Many of the slides were in color. They revealed every stage of the missile buildup and withdrawal. The CIA in particular and intelligence agencies in general were applauded for their efforts. Intense domestic sniping and political dissent by Senators Keating and Goldwater was abated.

In late 1964, during another American election campaign (and one day after Nikita Khrushchev's removal from office) China exploded her first nuclear weapon. The test had been anticipated for years in public statements by Chinese and scientific experts. Actual preparations in western Sinkiang had been under continuous overhead surveillance. Seventeen days earlier, Secretary of State Dean Rusk had issued a statement warning of the soon-to-occur test, saying "If

it does occur, we shall know about it and will make the information public." Whether the Chinese explosion was detected by U.S. seismologists, and, if so, how accurate the seismographs were is unknown. The preparations and explosion had been monitored from aerial and satellite reconnaissance. Electronic eavesdropping gave the U.S. full information. Air samples, gathered and analyzed by various information gathering agencies revealed the bomb's construction and composition. The explosion had been physically obvious, and the United States had surrounded it.

Both the missile crisis and the monitoring of the first Chinese detonation were considered as triumphs of American intelligence. One was public, the other semi-classified. They were radically different in one respect: the 1962 crisis involved knowing things which were not physically obvious. Had the Russians decided to ship in missiles? If so, what kind? What other equipment was being brought in? Could Cuban anti-aircraft fire bring down a U-2? Would Khrushchev back down without demanding a face-saving exchange of withdrawal of United States missiles in Turkey? What were the full terms of the Castro-Khrushchev agreement? What was the degree of commitment in the Soviet hierarchy to the program? Would the U-2 incident in China on September 9, 1962, have repercussions in Cuba? What was the relationship of Cuba to the Sino-Soviet conflict? Of both to Berlin? Questions of judgment and intention were involved. Things that were not physically obvious had to be learned.

### THE PHYSICALLY OBVIOUS

By contrast there was no doubt about Chinese intentions. They would test a fission explosive. The location was known well in advance. The intelligence mission was straightforward: monitor every piece of information pertinent to the event. Photograph it, tape record it, listen to comments about it. The task was to learn things that were physically obvious, or which would become physically obvious when the test was conducted.

The intelligence community approached both problems the same way: aerial reconnaissance, electronic surveillance, and analyses by experts in the appropriate fields. There were apparently no agents of importance in Cuba or at the Chinese test site at Lop Nor. What agents were unavailable to do, the new methodology had to substitute for. At Lop Nor the new methodology worked very well. In Cuba, it did not. Aerial photography was hindered by a heavy cloud cover during initial missile site preparation. Soviet transports brought new sealed cargoes to Cuban ports each day. Cratologists divined which ships carried missiles, but subsequent crises may feature camouflaged crates, or may call for specialities which do not exist. Rumors, refugee reports, shipping and diplo-

matic sources, low-level agents and public statements were a cacophony of noise that masked the signals. CIA analysts did an excellent job, but the United States did not even have an agent in Cuba capable of contributing hardware confirmation, much less a full report of the plans and decisions made at the highest level. The new methodology was unable to see clearly, and the crisis nearly got out of hand.

#### *Agents and the New Methodology*

The United States does maintain agent networks, possibly very extensive ones. However, they only reach public attention through obsolescence, rarely by agent memoirs and usually by arrest and trial. In the recent past there have been exposures claimed, all over the world of relatively low-level agents. A more uncertain way of detecting American networks is by watching for accounts of defectors to the United States. Defections sometimes result from extensive recruiting by U.S. agent networks, sometimes are unplanned, and sometimes signal the end of a double agent's useful career to the CIA. Defectors seem to be the CIA's primary source of highly placed agent information. There is no publicly available evidence that skilled American penetration agents are lodged in other governments. Defectors are the next-best objective, and the CIA goes to great lengths to encourage them.

### **NOTORIOUS DEFACTORS**

On February 4, 1969, a ranking Chinese intelligence officer defected from his post at the Hague. In October, 1967, a KGB lieutenant colonel contacted the CIA in West Berlin to ask for asylum. In 1964 a "high ranking staff officer of the KGB" detached himself from the Soviet delegation to the Geneva Disarmament Conference. The most advertised defector in the 1960's was Oleg Penkovskiy, a Senior Colonel in the GRU with an impeccable career in the Soviet intelligence establishment. He was tried and sentenced to death in 1963 after 16 months as a defector-in-place for M.I.6 and the CIA. Despite the coincidence of dates, Penkovskiy is not believed to have been the legendary "Martel", a KGB defector who warned De Gaulle (by way of a personal letter from President Kennedy in 1962) that the French government was penetrated from the Cabinet down with KGB agents. The reluctance or inability of the French to act on the letter is a strong indication that France is still thoroughly infiltrated.

With the conceivable exception of Penkovskiy there is little public evidence of CIA infiltration of foreign governments at high levels, analogous to the penetration of Philby, Maclean and perhaps Owen in Britain or that of Wennerstrom in Sweden. When Kim Philby was head of the Soviet desk of British counter-intelligence, and later when he was working closely with the CIA, he certainly had knowledge of Allied

agents of any importance within the U.S.S.R. It must be assumed, therefore, that important American agents who do exist have been recruited since then. Twenty years is ample time for a career agent to have been discovered and his story made public. None have been, while Soviet career agents turn up with some regularity in all the NATO nations.

### **HOW MANY SPIES?**

The public record of American use of career agents encourages a tentative assumption that such persons do not exist in high level jobs in Communist nations. The alternative assumption is that they do, but by a combination of skill, endurance, and fortune, none have surfaced or been surfaced. If this is so, CIA agents may occupy relatively non-sensitive positions where they are less likely to undergo routine security checks. That means they are less valuable as consistent sources of information than the technological disciplines of the new methodology. This point is made by Roger Hilsman in *To Move A Nation* after he served Kennedy first as Director of the Bureau of Intelligence and Research in the State Department, later as Assistant Secretary of State for Far Eastern Affairs. Whether the situation has changed since he wrote his book is, given the long lead time required to train and place agents, doubtful. A start might have been made, but both American tradition and the long gestation period for top penetration agents argues against it.

As a consequence, the new methodology of gathering information is not backstopped by traditional espionage agent techniques. Technology can be independent in discovery of the physically obvious, but it requires agent reports for consistently correct interpretation and analysis of what is not physically obvious. In creating a science-based intelligence bureaucracy, the CIA may be seriously handicapped by its failure to allocate sufficient resources to establish world wide high-level agent networks.

#### *System Constraints on the New Methodology*

The design of the American intelligence system contains several inherent limitations. One is economic. During times of severe budget restrictions, high-technology agencies, even with the priorities given the CIA and NSA, have problems funding new projects. An example is the cutback in Manned Orbital Laboratory monies. The new methodology requires an ever-increasing budget to maintain its superiority on the curl of the wave of new scientific discovery. After its budget attains a certain size, probably the present size, a fundamental issue is posed to the American people: when is the benefit of attaining another increment of intelligence exceeded by the opportunity costs in other parts of the federal budget, such as environmental resources conservation, urban rehabilitation, poverty programs, medical care, education and

the like? Even within the Defense Department, there will be critical decisions. A third generation reconnaissance aircraft? or a nuclear powered naval fleet? Five more specialists on South Africa or five more senior staff positions in the U.S. Army Missile Command?

### CLUES AND GADGETRY

A constraint affecting intelligence accuracy and reliability is the limited ability of the new methodology to obtain intangible data on plans and intentions. Agency research requires physical clues to derive such knowledge. The clues are pictures, intercepted messages, and news media articles. This puts a severe restraint on the intelligence community whenever information is needed that has left no such traces. For example: given that Soviet troops are massed on the Czech border, are they are they not going to invade? Given the knowledge of what has occurred in the Middle East, will Israel launch a pre-emptive war? Given the schedules, armaments, and operating characteristics of Navy ferret ships and North Korean gunboats, will North Korea attempt to capture an intelligence patrol? Decisions can only be reported by an agent who is present when they are made, or by a microphone planted by an agent with prior access to the decision locale. The agencies far too often place all their faith in expensive gadgetry, banking on the hope that most decisions will eventually leave enough clues to identify themselves. The agencies seem to have resigned themselves to the fact that when agents do not exist, the new methodology must be forced to fill the need. A regular review of the limits of the methodology should be instituted.

The third limitation is history. As bureaucracies mature, more middle-management positions are filled by career agency personnel. Lacking the independent prior experience (as newsmen, attorneys, research scientists) they tend to preserve the status quo, use novel approaches only rarely and adopt an "image" or style. The practice of recruiting directly from graduate and professional schools and creating formal management intern programs has the same weaknesses. The bureaucratic organization jells into a pattern of narrow histories and commonality of philosophy. (This is even more insidious than conformity to the famous Peter Principle.)

#### *The New Methodology and the Individual*

The intelligence agencies wield a great deal of power and influence, sometimes directly, but more often obliquely, on politics, economics, government, industry, universities, law and the individual American. The extent of this influence is very poorly documented. For instance, since 1966 the Army assembled computerized files on many U. S. citizens. Can intelligence agencies obtain a complete data file on any given

person? Invocations such as "the national security requires," could be expected to open many files, especially when it is so easy. (For increasing numbers of personnel files kept by state and federal agencies, universities and corporations, the social security number is the key that unlocks the data kept on the computer system). The data bank problem is one of many that needs legislation to protect the individual.

### A LATENT THREAT

An individual has a legitimate concern about his own "file" as well as the overall operation of his nation's intelligence apparatus. Public knowledge of the *substance* of intelligence must, by definition, remain nil. But public confidence as to *procedures* followed simply does not exist— unless one is willing to accept blindly assurances of the purity of the system. Faith is required because the accountability process is as secretive as the substance. Some public review process should be devised to correct abuses by the agencies of their intended responsibilities. Autonomous, anonymous bureaucracies, with relatively unlimited finances and an awesome capability to learn closely guarded secrets are always a latent threat to an open society. The rise of spill-over to the private lives of individuals must be answered with some independent, public balancing processes.

Another problem is the vast amount of data no longer necessary to current intelligence activities. An annual review of the requirements for classification should be started, with another annual review to measure file data against the requirements, releasing that which has become inert.

Within the United States, intelligence operations and agencies have had major impact on social, economic, legal and technical developments. This impact has been obscured by the secrecy of operations, the public distaste for spies and spying, and the attitude of academia that open studies of espionage and intelligence are improper. Far less attention has been paid to the consequences of this multi-billion dollar industry than is warranted.

— ROBERT D. CRANGLE

---

*This article was abstracted from a paper, © 1969 by Robert D. Crangle. Numerous footnotes have been omitted. Bibliography available on request. The serious researcher is advised to first obtain a partially annotated bibliography written by William R. Harris (Intelligence and National Security Bibliography and Selected Annotations, Harvard Center for International Affairs, Cambridge, 1968).*

---

# Year After Poll Results

Although the results of the poll which the FORUM ran last November were generally of the "dog bites man" variety, certain noteworthy fillips did occur:

\*Fully 100% of those who voted for Nixon for President believe he will be both renominated and reelected;

\*And, of those who did *not* vote for him, 93% believe Nixon will be renominated and 76% believe he will be reelected.

\*As for the Vice-President, 14% of Nixon voters give Mr. Agnew an A or better and 22% give him an F or worse. Altogether, those who voted for him now give Agnew an average grade of C.

\*Those who did *not* vote for Agnew flunk him unequivocally (64% F's or worse).

\*Both Nixon supporters and non-supporters give John Mitchell the lowest rating of the Cabinet members, but while he gets a C— from Nixon supporters, those who did not vote for Nixon flunk the Attorney General with an F+.

On the ten most important issues a surprising agreement emerged between the two groups. Of the top ten issues, nine were identical. The difference was that Nixon supporters ranked his Latin American policy the tenth most important issue of the thirty listed. In the non-supporters' Top Ten, the President's handling of the Vietnam Moratorium demonstrations appeared at the eighth spot. (See the accompanying tables.) Although the poll respondents were in general agreement as to what was important, individual appraisals varied on the expected ideological grounds. As a group, those who did not support Nixon in 1968 showed a greater sense of urgency about their top issues, with their interest dropping off noticeably after their sixth issue, the SALT talks. The '68 Nixon voters were less intense in their issue concern and their interest dropped off after their fourth issue, tax reform.

In their appraisals of the rest of the Cabinet (omitting Mitchell), the two groups agreed quite closely, a mildly surprising result. The Nixon supporters gave their top grades (B's) to Finch, Laird, Rogers, and Shultz; the 1968 deserters also gave Finch a B, and gave a B— to both Rogers and Shultz. The average difference in grades was just one notch higher for the party loyalists.

**LOW ON VIETNAM** The section of the poll which dealt with Nixon's image contained two errors which rendered it not ex-

actly comparable with a similar poll run in January of 1968, but a few times in that section of this year's poll are worth reporting independently here. First, even among Nixon voters the percentage who think that the President has extensive knowledge of and a well-defined position on the war in Vietnam is low — only 66% and 22% indicated the opposite — that the President has *no* clear-cut position on the war in Vietnam. Only 50% of his '68 supporters believe he is a capable manager of the economy. Thirty-two per cent feel he does not understand the problems of the cities; 30% feel that his Administration has further alienated the Negro from the mainstream of American life; and 52% feel that Mr. Nixon does not have the confidence of youth. Only 22%, however, see the conduct of his Administration as handicapping other Republicans running for office.

Among Nixon's non-supporters the results are pretty much that William F. Buckley would predict of the Society: 90% see the President as lacking the confidence of youth; 88% see him as having alienated further the Negro. 71% challenge his understanding of the problems of the cities, and 55% view his Administration as a handicap to other aspiring GOP office-holders.

**FUTURE LEADERS** And as anyone, including Mr. Buckley, could have forecast, Mayor John Lindsay remains Ripon's favorite son: 24% of Nixon's supporters look to Lindsay for national leadership in the '70s; twice that percentage of Nixon non-supporters express the same hope. Among the Administration's 1968 friends, Nixon ranks a close second at 22%, followed by HEW Secretary Robert Finch (14%) and Illinois Senator Charles Percy (12%). Among the others, the view shifts to Maine's Senator Edmund Muskie (21%), Senator Percy (12%), and Mass. Senator Edward Brooke (10%).

All the results in both the text and the tables should be read as merely suggestive. Mr. Nixon's postal reform has yet to go through and, not unrelatedly, these inferences are based on a rather small sample. Little more than 3% of the polls were returned in time to be tabulated (the industry average is around 10% on a mailed ballot). One trend does seem clear: despite wide-ranging grouching, most members of the Republican Party's left wing see seven more years of a Nixon Presidency.

R.B.E., Jr.

## Nixon Supporters in 1968

Rate Nixon's overall performance as President so far.

Excellent 20%      Good 48%  
Average 22%      Fair 8%  
Poor 2%

### THE TOP TEN ISSUES

	Ave. Grade		Ave. Grade
1 the Vietnam war	B—	7 Middle East	
2 welfare reform	B	situation	B+
3 halting inflation	B—	8 law and order	B+
4 tax reform	B—	9 ABM fight	C
5 SALT talks	B+	10 Latin America	
6 minority enterprise/black capitalism	C—	policy	B

### The Cabinet\*

	A	B	C	D	F	Ave. Grade
Blount	8'	36%	38%	6%	4%	C+
Finch	52	26	10	4'	6'	B
Hardin	12	30	34	2	6	C+
Hickel	16	40	22	10	6	B—
Kennedy	12	32	36	10	2	C+
Laird	28	42	16	6'	4	B
Mitchell	16	12	16	22	30	C—
Rogers	32	42'	12	4'	6	B
Romney	16	50	26	0	2	B—
Shultz	34	36'	18'	0'	2'	B
Stans	4	34	38	10	4	C+
Volpe	8	26	50	6	4'	C+

### The Vice President\*

Agnew 14% 24% 14% 22% 22% C

If he continues as he has, will the President be renominated?

Yes 100%

Leaving aside the many "ifs" and giving just a "gut" reaction, do you think Nixon will be reelected?

Yes 100%

Of the national leaders of either party, which one do you personally view as the man most worthy of your enthusiasm and support?

Lindsay	24% **	Agnew	4%
Nixon	22%	Laird	4%
Finch	14%	Rumsfeld	4%
Percy	12%	Scott	4%
Hatfield	8%	Baker	2%
Muskie	8%	Brooke	2%
Reagan	8%	Mitchell	2%
Rockefeller	8%	Richardson	2%

\*These figures are the percent of ballots which gave the particular grade. Since not every ballot graded every Cabinet member, percentages do not always add to 100.

## Nixon Non-Supporters in 1968

Rate Nixon's overall performance as President so far.

Excellent 0%      Good 12%  
Average 33%      Fair 38%  
Poor 17%

### THE TOP TEN ISSUES

	Ave. Grade		Ave. Grade
1 the Vietnam war	C	7 Middle East	
2 welfare reform	B—	situation	C
3 ABM fight	D	8 the Vietnam	
4 tax reform	C—	moratorium	D—
5 halting inflation	C—	9 law and order	D+
6 SALT talks	B—	10 minority enterprise/black capitalism	D—

### The Cabinet\*

	A	B	C	D	F	Ave. Grade
Blount	7%	14%	40%	10%	0%	C+
Finch	29'	40	19	2	4	B
Hardin	0'	17'	40'	10	0'	C
Hickel	0'	29'	29	24	10'	C
Kennedy	0	19	43	17	10	C+
Laird	4'	29'	33'	17	14'	C
Mitchell	2	10	4	10	79	F+
Rogers	19	39	31	4	2	B—
Romney	2	60	26	10	2	C+
Shultz	17	33	24	2	4	B—
Stans	2	12	33	19	7	C—
Volpe	0'	14'	38'	24'	19'	D+

### The Vice President\*

Agnew 0% 2% 10% 19% 64% F+

If he continues as he has, will the President be renominated?

Yes 93%      No 7%

Leaving aside the many "ifs" and giving just a "gut" reaction, do you think Nixon will be reelected?

Yes 76%      No 24%

Of the national leaders of either party, which one do you personally view as the man most worthy of your enthusiasm and support?

Lindsay	48% **	Cleaver	2%
Muskie	21%	Goodell	2%
Percy	12%	Hughes	2%
Brooke	10%	Humphrey	2%
Hatfield	7%	Mansfield	2%
Scott	7%	McCarthy	2%
Baker	4%	McCloskey	2%
Finch	4%	McGovern	2%
Rumsfeld	4%	Rockefeller	2%
Agnew	2%	Wallace	2%

\*\*Some ballots listed more than one "first" choice. In such instances, each man named was given a vote; consequently, the percentages add to more than 100.



## BOOKS: Modelling the Life of a City

# Computer Simulation and Urban Behavior

*Urban Dynamics*, by Jay Forrester, MIT Press, Cambridge, Mass., 1969, 285 pages, \$12.50.

*Urban Dynamics* is about a computer simulation model of how the central city first grows, then stagnates and decays. The primary authors of the clear text (but somewhat less lucid multi-dimensional graphs and equations) are Prof. Jay Forrester, a computer scientist turned industrial analyst, and an IBM 360/67 computer. The book clearly reinforces those crying for a more systematic approach to the urban crisis. It shows how urban problems such as housing shortages or unemployment are generated by internal forces, and cannot be solved by simply treating external symptoms. However, the book just as clearly demonstrates the dangers in the naive extension of simulation techniques to the analysis of urban behavior. Men who are not familiar with the new systems they are trying to understand will oversimplify application of "systems analysis" to the evaluation of urban policies.

Forrester's main endeavor is the development of a tool to be used by urban policy makers. The problem in making policy decisions is the high level of uncertainty as to what in fact will happen if a specific policy is implemented. Will it have the direct consequences which its sponsors claim? For example, will new industry be attracted by special tax incentives? Even if it does, will the policy disturb a balance elsewhere and lead to entirely unanticipated secondary effects, for example, the metropolitan sprawl generated by our urban highway program. Forrester's basic thesis is that the forces which determine the answers to these questions can be isolated and understood one at a time and synthesized into a model of reality, but that no individual is capable of anticipating the results of more than a very few of these forces operating simultaneously. The existence of "feedback," where a force causes a result which in turn modifies the original force, both within a given simple interaction and as a coupler between interactions, leads to a level of complexity which can only be followed by a computer.

*Urban Dynamics* represents just such a synthesis between a human's ability to simplify and model and the computer's capacity for dealing with complexity. Forrester has constructed a model which contains what he feels are the major components of the

city — three classes of population (underemployed, labor, and management), three types of housing (one for each of the population classes), and three types of industry (new enterprises, mature businesses, and declining industries). The changes over time of these basic activities, or "level variables," is controlled by one or more "rate variables." The twenty-two rate variables are functions of behavioral characteristics, exogenously set policies, and the level variables, i.e., of the state of the city as it is perceived. (The specific interactions are too numerous to review here, but are clearly described in the appendix to *Urban Dynamics*.) The specification of the level and rate variables and the functions determining the rate variables comprises a complete self-contained model of the city which is fed into the computer. By specifying the initial conditions in the city and the length of time its growth is to be observed, one can have the computer simulate the behavior of the city through any stage of its development.

The *Urban Dynamics* model, which represents a "typical" U. S. central city, was first used to simulate the development of the city from small town to decaying central city over two hundred and fifty years. With the model "verified" by its reproduction of the gross characteristics of city development, Forrester used it to test different policies for stimulating the renewal of the city. First, such currently popular proposals as revenue transfers from the state or federal government to the city, training programs for the underemployed, and construction of low income housing were tested and found to be completely inadequate. Even though Forrester himself notes the extremely preliminary nature of the model described in *Urban Dynamics*, both the later chapters of the book and Forrester's oral presentations of his work contain very strong recommendations against virtually all major urban programs in vogue today. According to his analysis, adding to the supply of low income housing, through either direct construction in the central city or through revision of snob zoning in the suburbs has the negative effects of increasing the attractiveness of the city for migration of more low income people and of discouraging new industry by using up land. Job training programs have the undesirable consequences of stimulating the outflow of trained workers from the city, attracting low income workers to the city, and suppressing some of the natural mechanisms for upward mobility in the labor force. Direct revenue transfers from either the state or federal government for improving basic services, e.g. education, health facilities, or welfare, or for allowing the city to reduce the tax burden on its residents and industries are similarly projected as resulting in no significant improvements in the city. According to the model, these programs will at best have negligible effects on the ills they are attempting to correct — some of them would even make the situation worse. Such attempts to change the city

---

*James Hester is a Ph.D. candidate in the Department of Urban Studies and Planning at MIT, and a fellow of the MIT-Harvard Joint Center for Urban Studies. He has a BS and MS degree from the Department of Aeronautics and Astronautics at MIT and has held research positions with NASA, Ford Motor Company, AVCO Everett Research Lab and MIT's Urban Systems Laboratory.*

---

merely set in motion a complex set of readjustments, offsetting the external interventions.

Forrester was not surprised by these results and devotes a chapter to a description of the behavior of complex dynamic systems like the city, with particular emphasis on their "counter-intuitive behavior." If something is wrong, e.g. too little housing is available, often the least effective way of correcting the situation is to take the direct approach, i.e., build more housing. The problem arose for a reason, and if the symptoms of problem are attacked without correcting the generating causes, the system simply adjusts, reproducing the original situation — if not a worse one. Leverage points which will produce different behavior do exist, but they can be found only by understanding the system as a whole, which for complex systems like the city requires using simulation models. In the concluding chapters, Forrester manipulates the *Urban Dynamics* model in this way and concludes that the most effective policy would be a combination of a gradual slum demolition with incentives for certain types of industry.

Forrester has produced an intriguing and certainly controversial book — but what is its significance? Three aspects of Forrester's work stand out: his approach to modeling the city, the details of his specific model, and the manner in which he evaluates alternative policies. Forrester's general approach is by far the major contribution. The scope of his model and the range of interactions contained in it make *Urban Dynamics* the first full-scale attempt to model the urban system as a whole. No model either can or should attempt to include everything, but a model of any system must include the major components of the system and their most significant interactions. The previous work in urban modeling has taken a piecemeal approach — isolating one set of urban activities or interactions and concentrating on them. Though this has been necessary and useful in the past, it is time to begin assembling the pieces in order to understand how the city functions as a complete system. A second characteristic, derived in part from the first, is the ability of the model to explicitly incorporate a wide range of alternative policies and test their effects. Too many previous urban models have been unable to incorporate any policy changes whatsoever, while others can test only a very limited set of policies. In demonstrating models which easily and quickly can answer questions about a variety of issues, Forrester has paved the way for the much broader use of models in making social policy decisions. A final pleasing aspect of Forrester's approach is his willingness to take the time and effort to fashion a fairly sophisticated model in a form accessible and intelligible to those who might have occasion to use it.

Forrester's modeling approach is useful in many ways, but this does not correct the basic flaws which exist in the specific model which he has constructed. The *Urban Dynamics* model is lacking — the chief gaps include the failure to include the effect of the suburbs on the development of the central city, of regional and national economic development on the industrial growth of the city, or of technological change on internal shifts within the city. Also Forrester's mechanisms

for both industrial growth and population migration strongly contradict existing theories, and not one shred of empirical evidence is offered to support his divergent formulation. In addition, the model has the central city reaching equilibrium after two hundred and fifty years with a twenty five percent excess of housing for the underemployed (low income) population. In reality the central city has a particularly acute housing shortage for this income class. More importantly, the fact that the model reaches an equilibrium contradicts any experience to date.

The evaluation "techniques" which Forrester uses to compare alternative policies are the weakest aspect of his work because they are non-existent. First, he studies only a very limited set of alternatives, seemingly selected at random, with no attempt at systematic coverage of possible combinations. Second, even though each of the policies tested influences a number of different characteristics of the city — housing supply and demand, unemployment, tax rate, industrial growth, etc. — and the effects vary significantly over time, no attempt is made to formally compare the results. Indeed, Forrester simply describes the effects of a given policy, lumps them together in some intuitive way, and pronounces the judgment that the policy is desirable or undesirable. No consideration is given to the possibility that a small or moderate gain in one problem area might more than offset "losses" in another, or that short term gains might be desirable, even at the price of long term loss. In short, he never identifies or justifies the criteria used to compare the effects of different policies, and never makes explicit the very subjective value judgments crucial to his evaluations.

*Urban Dynamics* exemplifies the potential contributions of systems simulation models in attacking the urban crisis. They provide a previously non-existent laboratory for the design and testing of social policy. They can and should be as invaluable an aid in solving social and environmental problems as they have been in engineering and the physical sciences. However, the shortcomings of the specific model which Forrester has results eliminate any of the significance of the conclusions *Urban Dynamics* presents on urban policy. The limitations of the model and its results are noted several times in the book, but these qualifications are deeply buried and quickly lost among the strong and controversial policy recommendations which follow them. In fact, *Urban Dynamics* has already been used as a justification for attacking some existing urban programs.

The inadequacies of *Urban Dynamics* make it an excellent example of the dangers as well as the benefits inherent in the extension of systems analysis to social problems: it requires both extrapolation of inadequate behavioral theories and assumptions about subjective values. Like any other tool, computer simulation models can be poorly designed and inadequate for the job they were meant to perform. Even if properly designed, they can be misused. The intimidating combination of confident technician and mystical IBM computer cannot be allowed to mask these dangers when they are realized.

— JAMES HESTER, JR.

## A New Departure in Foreign Aid

# The Reprivatization of Rural Development

Massive government programs for agriculture at home and abroad have conditioned Americans to think that this is the only approach to the worldwide problem of hunger. Yet daily we read testimony of the Government's inability to feed the American poor, and we learn that neither the United Nations nor the various agencies of the Department of State are making the expected progress abroad.

At the same time, public and congressional tolerance of vast American foreign aid expenditures appears to have reached its limit. "For the last several years, the dissatisfaction of most Committee members with the foreign aid program has increased," the Senate Foreign Relations Committee reported last December. "The initial focus this year in the Committee discussions of foreign aid was not the size or makeup of an aid bill, but whether there should be an aid bill at all." And as it turned out, there wasn't; Congress authorized outlays of less than \$2 billion for 1970 and 1971 — the lowest authorizations in the history of foreign aid — but failed to reach agreement on an appropriation bill, so that appropriations were finally continued at 1969 levels.

**A RISKY VENTURE** Meanwhile, private investors with experience in foreign agriculture indicate that the benefits hardly equal the frustrations, risks, and uncertainties of such ventures. And the leaders of the developing new nations can demonstrate that such investment has been a one-way street since colonial times — profiting only the foreign buyer, if anyone.

Recent foreign aid measures have not appealed to the private enterprise sympathies of many congressmen, and have not sought to utilize American capital, management ability, and technology in the most efficient way. However, an experiment in a central Mexico village called Heujotitan is showing how an agricultural development corporation, an essentially private operation, provides a convenient and acceptable vehicle for achieving both business and social goals. It suggests an entirely new approach in American aid to third-world agriculture.

In the valley of Heujotitan, some villagers have grown corn twice as high as that of their neighbors. Their yields have quadrupled, to nearly 80 bushels

per acre, in the past three growing seasons, and their net incomes have effectively tripled. All this has come about because Heujotitan, in the state of Jalisco, is the site of a feasibility study, testing the effectiveness of a model agricultural development corporation.

**FOR SMALL FARMERS** The program, originated directed by Dr. Simon Williams, is financed by the U.S. Agency for International Development and is being carried out by the International Marketing Institute of Cambridge, Mass. Its purpose is to test a new form of service corporation designed to increase both the income and the nutrition level of small farmers. Three years of investigation are almost complete.

The program faced a difficult task when its representative came to the village three years ago. The farmers — with average holdings of about eight hectares (20 acres) of rainfed lands, about one-half planted in corn — seldom had gross annual incomes of more than \$200. Because of a vicious circle of debt and poverty, they were unable to adopt innovations that were available in the market, like chemical fertilizer.

One factor limiting such innovation was expensive credit. Subsequent studies have further shown that the risk of failure was too high and profit margins were too narrow for the farmers to use new inputs. For instance, the fertilizer might not be absorbed, if rainfall was below normal; or instructions for applying it might be misunderstood, or in error, and the



### **THE AUTHOR**

*Dr. John Simmons is a research fellow at Harvard's Center for Middle Eastern Studies. He holds a Ph.D. in Economics from Oxford and has done field work in Mexico, Tunisia, Ghana and the Middle East.*

crop burned out from overdosage. In such a case, if the farmer did not realize the added income necessary to pay for the fertilizer, his profit after the harvest would be even lower than normal. The individual small farmer simply could not take such a chance.

**MULTISERVICE CORPORATION** The solution proposed for this dilemma was a multi-service corporation, which would act as retailer, buyer, banker, and adviser to the valley farmers. The corporation, which was formed in late 1969, sells supplies to the farmers at market prices and provides credit for these purchases, as well as for social needs, until the harvest. The farmer also receives direction from one of the technicians who live in the village during the season.

In return, the farmer is under contract to sell his corn to the corporation, which offers the attractive price of \$64 per metric ton — a 4 percent premium over the usual village price, and without the usual transportation costs. The price for corn in Guadalajara, 20 miles away on a good road, averages more than \$72 per ton at harvest time, but the individual farmer lacks transport to take advantage of this price. This the development corporation provides; and the difference between village and town price is a major source of its income. A corporation to take advantage of this simple economic equation required just \$460,000 in paid-in equity; yet it will produce benefits for the initial investors, the immediate area, and the country as a whole.

But what will these services and income mean for the average farmer? He now grows four tons of corn on the half of his eight hectares that he plants, while the other half lies fallow or is used for pasture; his current gross income is about \$280 from corn and \$105 from other sources. If he keeps four hectares in corn under the program, his net income from corn alone will increase to \$640 a year, a 130 percent increase. And if he chooses to put as much as eight hectares in corn, his net income will rise to \$1,280, an increase of 360 percent.

**TO END THE AGONY** Besides this incentive for farmers to join the contract system offered by the corporation, there are other attractions: the corporation can help the farmer reduce his outstanding debt, as well as provide short-term personal loans. Within three years, the farmers of the valley will be free of their long-term debts, which now average \$360 (with interest at 4 percent per month).

Corn production and marketing, moreover, will not remain the sole interest of the corporation. It will also encourage diversification into swine and dairy operations, which will represent 20 percent of the corporation's net income after eight years of operation.

In short, the benefits to the farmer are both immediate and continued. First, and most dramatically, they will achieve at a minimum an immediate doubling of their net income due to high yields and better prices, plus sustained annual increases of from 10 to 20 percent. Second, by the fourth year of the corporation's operation, the farmers will begin to receive cash dividends proportionate to the amount of corn they sell to the corporation. Based on the average farm size and conditions, the first dividends will be \$18; by the 12th year of the corporation's existence, they will reach \$91, and by the 20th year, \$200. Third, payments by the corporation into a trust fund will ensure that at the end of 20 years, the farmers will become the owners of the corporation; the paid-in equity of \$460,000 will have been repaid by the trust. And fourth, by the time the farmers take control of the corporation, retained earnings will have reached \$724,000.

**VERY GOOD INVESTMENT** But the development corporation also offers benefits to the potential investor, whether foreign or domestic. After allowing for the farmer benefits mentioned above, the return will still reach 25 percent of equity annually after the fourth year of operation; net annual income of the corporation will average about 50 percent of equity after the third year.

But the benefits at the national level to a country like Mexico will probably be the most impressive results of the formation of agricultural development corporations. Mexico had its agrarian reform more than 50 years ago. Since then, the government has expanded credit, built schools, developed extension services, and marketed farm supplies — the usual pattern for agricultural development. And while Mexican agriculture has registered some striking gains, largely because of seed improvement, the small farmer — as elsewhere — has been bypassed.

**FURTHER APPLICATIONS** The development corporation's appeal in Mexico and other nations with largely rural populations is manifold. First, the corporation's ability to improve living conditions for small farmers attacks Mexico's prime political problem — rural unrest and agitation. Second, the corporation supplies valuable technical assistance without requiring government funding — from either Mexico or the U.S. Third, the corporation is staffed by Mexicans, and the land that is its major resource is owned by Mexicans; fiscal control, initially foreign, will be turned over to the eventual client-owners.

Fourth, the attractive return on equity will encourage future investment by the Mexican private sector in a national development priority, rather than in urban real estate or foreign stocks. Fifth, the corporation will mean progress in improving the quality and diversity of Mexican farm products; meat and

milk production are among the highest government priorities. Sixth, as has been shown in village improvement work in Peru, raising rural incomes can dramatically limit urban migration. And seventh, shifting a part of the administrative and financial burden of rural development from the governmental and national level to the private and local level — reprivatization, as it were — will bring important economies in the use of Mexico's resources.

**GUARANTEED SUCCESS STORY** The results of this three-year program in Heujotitan have been so encouraging that a group of American investors and manufacturers, led by one of America's largest banks, has met to consider the program's significance and the possibility of forming an organization devoted to investing in similar rural development projects throughout Latin American. The thoroughness with which this new form of corporation is being tested and the substantial benefits it offers to farmers, investors, and the nation as a whole should guarantee its success. Presumably, the development corporation form could be expanded to cover a larger area or operation; it will also be tested, and modified if necessary, for countries whose problems are more acute than Mexico's.

The foreign aid authorization bill passed by Congress last December included provision for a new Overseas Private Investment Corporation, a semiautonomous agency designed to stimulate private investment in the developing nations by insuring and guaranteeing loans, making some loans directly, and offering technical assistance to private enterprises. Creation of the agency, sought by the Administration, was pushed by a long-time advocate of the idea, Senator Jacob K. Javits of New York. The measure — if tied to programs like the Heujotitan development corporation — could mark a new departure in foreign aid.

—JOHN SIMMONS

## Oklahoma — from page 6

more confidence and decisiveness. But he still makes political blunders, and big ones at that. Chief among these was the abrupt firing of Martin Garber, chairman of the Oklahoma Highway Commission.

It is still hard for the Governor's most dedicated admirers to interpret his actions in what is still referred to as the "Garber Affair". Garber was, and is, a professional politician and fund raiser par excellence. Appointed chairman of the Highway Commission by Republican Governor Henry Bellmon, Bartlett's predecessor, Garber directed the 1966 primary campaign of John N. "Happy" Camp, whom Bartlett defeated for the gubernatorial nomination. In the interests of party loyalty, however, Bartlett retained Garber as Highway Commission chairman, a decision that was generally well received.

**GARBER GETS THE AXE** Then, late in 1968, word got out that Bill Dane, director of the Highway Commission, might have profited from some state right-of-way purchases from his brother-in-law. There was no direct or indirect connection made between Garber and Dane. Next, some Democrats raised the point that Garber, while chairman of the Highway Commission, had raised funds for the Republican party. (Garber had served as Nixon's campaign manager in Oklahoma in 1968.) Bartlett seemed surprised at this "disclosure," and summarily fired Garber — whose term had only a few days to run, in any event — for not living up to the "high ideals of my administration."

Garber was shocked — understandably, because his fund raising activities were well known to everyone. In fact, it developed that one of the candidates Garber has raised funds for was the Governor himself. Even the Democrats in the legislature, who investigated the matter, quite frankly pointed out in their report that there was nothing illegal about a Highway Commissioner's raising campaign funds; they cleared Garber of any wrongdoing.

The Garber dispute still rankles, and it threatens the Governor's chances for re-election. In order for a Republican to be elected Governor in Oklahoma, he must win a substantial plurality, perhaps as much as 50,000, in the northwestern part of the state — north of Oklahoma City and west of Tulsa. The key county in this area is Garfield, which coincidentally is the home of Martin Garber. The ex-commissioner has many friends throughout this area, and his father once represented the district in Congress. Furthermore, Garber's brother, Milt, is editor of the area's largest newspaper. In 1966, Governor Bartlett received about 70 percent of the vote in Garfield County. As things stand today, he would be lucky to carry the county.

**OTHER PEEVISH DISPUTES** In addition to the dispute with Garber, the Governor also occasionally squared off against the peevish Lieutenant Governor, George Nigh, usually over Nigh's efforts to increase his own importance. Bartlett probably came out ahead in this match, however, and an uneasy truce now exists between the two officials.

As noted earlier, all three Democratic gubernatorial contenders appeal to young and middle-aged urban moderates — who are, or ought to be, a prime target for a progressive Republican candidate. Greve, at least, might be able to add to this base of votes the minorities, the poor, and the rural and welfare bloc. Against this coalition, Bartlett may need more than great clouds of energy and dozens of new industries to pull him through. But it also remains to be seen whether Greve, or any other Democrat, can put such a coalition together.

—STEPHEN JONES

## Annual Report — from page 24

administration in the group's experience. In part the question was answered immediately by the appointment of a number of former Ripon officers and members to positions in the Administration. In this way, one of the purposes of the Society, to recruit and train talent for Republican political life, was partly fulfilled.

Beyond that, the Society has continued to work for a more inclusive and more responsive Republican party. In so doing, the Society has worked with and supported the Administration and the party at all levels on programs and policies that are consistent with those goals, such as those which seek to involve minorities. Conversely, when the Administration or the party has pursued a course that the Society feels unwise for either the country or the long-term good of the party, it has not hesitated to criticize such action.

Whether the Society will be able to continue its growth and meet these responsibilities depends again this year, as in past years, on its success or failure at fund-raising. With increased financial support, the Society can have a significant impact on the 1970 campaigns, as well as increase the quality and readership of its publications and operate a Washington office.

—CLAIR WARREN RODGERS, JR.

## Political Notes — from page 5

It was the beginning of a political year in Florida, during which a Legislature dominated by candidates for higher office is not expected to raise the needed revenue for education, highways, and other priorities and a Governor preoccupied with his own re-election is not expected to prod the legislators. Among the hopefuls in the Legislature are Senate President John Mathews and Senate President Pro Tem Reubin Askew, Democrats who want to be Governor; and House Speaker Fred Schultz and State Senators Robert Haverfield and Lawton Chiles, Democratic contenders for the U. S. Senate seat being vacated by Spessard Holland.

Another State Senator, Republican L. A. "Skip" Bafalis of North Palm Beach, has been hinting at running against Kirk for nearly a year. The Governor has managed to alienate nearly every state legislator, Republicans as well Democrats, at one point or another during the past year, and could be vulnerable. He is also not very popular with many GOP regulars, though he could probably beat any Democrat in the state right now. The GOP primary — which, like the Democratic contest, will be held in September this year instead of May — will also feature a senatorial race between Florida's aboriginal Republican, nine-term U. S. Representative William C. Cramer of St. Petersburg, and Lieutenant Governor Ray Osborne, a Kirk protege of sorts.

REVENUE	FINANCIAL REPORT				ESTIMATED	
	1965	1966	1967	1968	1969	1970
Contributions and Duès	\$15,622	\$23,143	\$29,300	\$ 78,760	\$ 90,682	\$110,000
FORUM Subscriptions	2,100	5,161	8,978	17,190	14,312	28,000
Publications	2,075	2,257	1,652	4,312	7,261	10,000
Research Services	—	3,000	7,001	5,400	10,975	12,500
Miscellaneous	631	460	125	8,221	3,444	3,000
<b>TOTAL RECEIPTS</b>	<b>\$20,428</b>	<b>\$34,021</b>	<b>\$47,056</b>	<b>\$113,703</b>	<b>\$126,674</b>	<b>\$163,500</b>
<b>EXPENDITURES</b>						
FORUM Printing & Distribution	1,136	4,068	8,784	16,479	17,950	22,000
FORUM Salaries and Materials	—	—	3,122	16,068	16,065	26,000
<b>TOTAL FORUM</b>	<b>\$ 1,136</b>	<b>\$ 4,068</b>	<b>\$11,906</b>	<b>\$ 32,547</b>	<b>\$ 34,015</b>	<b>\$ 48,000</b>
Publications & Research	5,895	4,241	4,855	20,701	15,523	15,000
Press Releases & Communication	—	1,542	2,192	4,368	1,469	6,000
National Organization & Coordination	—	1,428	1,675	3,977	1,148	7,000
Fund Raising & Promotion	3,222	3,137	3,493	3,573	3,401	15,000
Attendance at National Meetings & Conferences	841	954	759	2,353	2,640	2,000
Staff Salaries	4,271	9,701	15,582	21,957	32,574	37,000
Payments to Chapters	—	—	1,373	4,230	1,122	1,500
General Operating Expenses	3,975	5,441	5,908	10,401	25,010	15,000
Special Projects	578	1,381	—	7,307	7,926	17,000
<b>TOTAL EXPENDITURES</b>	<b>\$19,918</b>	<b>\$31,893</b>	<b>\$47,742</b>	<b>\$111,414</b>	<b>\$127,047</b>	<b>\$163,500</b>

# 14a ELIOT STREET

Ripon activity last month centered on Washington, D.C. The Seventh Anniversary Dinner was held January 17 at the Statler Hilton's Presidential Ballroom. Over 250 guests gathered to celebrate and to hear Congressman **John B. Anderson** (part of his address appears in this issue). Among those attending were: Congressman Pete McCloskey and Barber Conable, I. F. Stone, Secretary of the Army Thaddeus Beal, RNC Assistant Chairman Elly Peterson, Mary McGrory, Richard Shields, Assistant Secretary of HEW Lewis Butler, Manpower Administrator, Dept. of Labor Malcolm Lovell, ICC Commissioner George Stafford, Mitchell Melich, Solicitor, Dept. of the Interior, Tina Harrower, RNC Committeewoman from Connecticut, John Price, director of the Urban and Rural Affairs Council and many more.

Ripon received telegrams from others not present (including the President — see cover). Greetings came from Senators Goodell, Brooke, Javits, Hatfield, Mathias and RNC Chairman Rogers Morton. Congressman Anderson facetiously relayed special salutations from John and Martha.

Special praise is due **Pat Goldman**, who masterminded the gala to the last detail.

• A National Executive Committee meeting took place on the morning of the banquet at the new offices of McClaughry Associates, 2100 M Street.

• Below is the complete transcript of the statement of the Attorney General to David Schoumacher on the CBS Evening News with Roger Mudd, January 17, 1970:

The Ripon Society, a group of liberal Republicans, charged through its magazine this week that Attorney General Mitchell has been playing politics for President Nixon and hampering and delaying civil rights progress. Mitchell was not readily available for comment . . . only he was literally cornered by CBS news correspondent David Schoumacher.

**Schoumacher:**

What about this Ripon Society charge that you have permitted politics to play a part in your operation of the Justice Department?

**Mitchell:**

As far as those little juvenile delinquents are concerned . . . I don't have any comment about them.

**Schoumacher:**

Is it not true . . .

**Mitchell:**

You must have been a blocking back . . .

**Schoumacher:**

I learned that trying to chase you down . . . it's true . . . though . . . that you have asked the Supreme Court on occasion to delay school integration. Is that because of politics?

**Mitchell:**

Not true at all . . . you must understand that the Justice Department are the lawyers for the Government. We carry out legal functions on behalf of the Government and in so acting we are acting on behalf of HEW. We are lawyers, not policy makers. Did you ever look at it that way?

• The Mitchell flap brought the TV cameras to the Ripon office. Both the CBS and NBC affiliates in Boston appeared to interview and film, completely disrupting normal office routine. Any of our readers who saw Pat Collins interview NGB member Rep. **Martin A. Linsky** or Chet Curtis query Ripon President **Josiah Lee Auspitz** will agree the reports were informative and accurate. In addition, Ripon Political Director **Michael Brewer** appeared on CBS national news, unfortunately at 7 A.M. on January 16. Just a sampling of the press reaction: Ripon was the subject of a column by **Mary McGrory** in which the syndicated columnist said, "Ripon is in fact to Mr. Nixon what Harvard was to John Kennedy—a talent bank and an idea factory."; The Los Angeles Times ran the Mitchell reaction on the front page head-

lining the Jules Witcover story "Nixon Staff Full of Mitchell's 'Delinquents'" The New York Post ran two editorials on the Ripon-Mitchell exchange; The Minneapolis Star reprinted the entire Ripon editorial plus cartoon on its editorial page; Newsday syndicated columnist **Nick Thimmesch** saw it as an example of Nixon's genius in political balancing that he "listens to and likes the Ripon bunch while Mitchell swats at them as though they are pesky flies."

• **Dr. John S. Saloma III**, one of Ripon's founders and its first president, was among the 10 outstanding men of 1969 named by the U. S. Junior Chamber of Commerce. Jack, now associate professor of political science at MIT and heading a study by the Twentieth Century Fund on U. S. political parties, was honored along with a social activist, a lieutenant governor, a football professional and a Rockefeller. The nine other men cited were: Rev. Jesse L. Jackson, Lt. Governor Ben Barnes of Texas, Gale E. Sayers of Chicago, John D. Rockefeller IV of West Virginia, Melvin Floyd, Dr. David Mathews (president of the University of Alabama), James R. Slagle, Russel L. Voorhees and Dr. Augustus A. White III. Jack joins very distinguished company. Former Jaycees' top 10 include Presidents John F. Kennedy and Richard M. Nixon.

• **Richard A. Zimmer** has been elected president of the New York chapter. He replaces J. Eugene Marans who has moved up to the position of Chairman of the Board. Dick is a graduate of Yale and Yale Law School and was one of the original guiding lights of the New Haven chapter.

In its monthly "know your enemy" luncheon, the chapter met in December with **William vanden Heuvel**, Nelson Rockefeller's first announced opponent for Governor. Vanden Heuvel stressed the need for new approaches to government and as an example of this belief suggested naming Albany Mall after Martin Luther King, Jr. In February the chapter will meet with John Dear dorff.

• The Cambridge chapter met January 21 with **S. Lester Ralph** of Somerville. The "New Politics" Mayor outlined his plan to restore the city and rid it of corruption. One of his first steps has been to appoint Ripon member **Maris Vinovskis** to a five year term on the Board of Appeals, which handles zoning variances and building permits.

• Ripon's artist, **David Omar White**, will appear in next month's Harpers with a devastating cartoon of George Meany.

## LETTERS

### CORRECTION

Dear Sir:

Congratulations to William Duncan for his article appearing in the November issue of your magazine. It contains only one or two specific points in regard to which my two-year experience in Japan might cause me to take issue. The reason for this letter is that the article is wholly of Mr. Duncan's creation and my name ought not to have been attached to it, because I had no knowledge of it, and no opportunity to read the article, in advance of publication. The article in no way reflects the substance or language of my preliminary draft submitted to you this summer. Further, the thrust of Mr. Duncan's article runs contrary to the central thesis which I had hoped to develop. I wish to disassociate myself from Mr. Duncan's article without intending to criticize it.

ROBERT C. KIRKWOOD  
San Francisco

# 1969 Annual Report

## *Chapters*

The number of Ripon chapters reached 11 during the past year with the admission of new chapters in Hartford, Philadelphia and Washington, D.C., and the formal establishment of a previously authorized chapter in Boston. Prospects for additional chapters during the coming year are excellent.

## *Publications*

The Society's major publication during the last year was its election analysis, *The Lessons of Victory*, issued in both hard-bound and paperback by Dial Press. Termed "shrewd and penetrating" by the New York Times Book Review, *Lessons* was edited by the Society's Research Director and represented the effort of more than 30 major contributors and more than 100 correspondents.

During 1969, a second major book neared completion. Written by Michael S. Lottman, the first Ripon Fellow, the book is an updated and expanded version of the Society's 1966 report on the Republican party in the South.

A Ripon Report to the President on Youth was published in October of this year and was prepared under the direction of Ripon's National Director, Bruce K. Chapman. Agreement has been reached for the publication of an expanded version of the Youth Report in the spring.

The Society also prepared a number of papers during 1969, including the following:

- ★ The Southern Strategy — an analysis of the now famous book by Kevin Phillips, aide to the Attorney General.
- ★ The "Complex" Society — a four-part series on long-range trends in business, technological and generational developments and their relation to government and American society.
- ★ The ABM — a special FORUM supplement dealing with the technological and political aspects of deployment.
- ★ Farm Policy — Ripon's proposals for a farm program to return agriculture to a market economy.
- ★ Volunteerism — proposals for engaging the private sector and individuals in activities for the public benefit.
- ★ The Philadelphia Housing Paper — a strategy for solving the housing crisis prepared by the new Philadelphia chapter of the Society.
- ★ Biafra and the Bureaucrats — on the need for a new U.S. policy toward the Nigerian civil war.
- ★ Black Capitalism — the failures of the program

thus far and immediate steps needed to correct them.

In 1969, the FORUM was increasingly used as a vehicle for distribution of Ripon research and analysis. In addition, political coverage was increased through the use of correspondents in the field. The FORUM also ran a number of guest editorials, by (in chronological order) Mayor John Lindsay, Senators Gordon Allott, Robert Griffin, Jacob Javits, Hugh Scott, Marlow Cook, Charles Goodell, James Pearson, Robert Packwood, and William Saxbe.

Paid FORUM circulation rose only slightly during 1969, as funding for FORUM promotion proved inadequate to mount a sustained campaign to increase circulation. Despite the rise in circulation, FORUM revenue dropped slightly, reflecting a proportionate net increase in the lower-priced student subscriptions.

## *Finances*

The budget for 1969 again represented an increase over that for the previous year, although it fell short of projections made in late 1968. The contributor base broadened slightly and the geographical distribution of contributors was widened. Contributions as a percentage of total revenue remained approximately the same in 1969 as in 1968 and are budgeted at the same level in 1970.

The budget projection for 1970 assumes another year of growth. Projected revenue from FORUM subscriptions is again dependent on funding for FORUM promotion. The budget also projects salaries for a full-time President, National Executive Director, FORUM Editor and assistants, Research Director, and three staff assistants. The budget makes provision for part-time staffing for special projects. This staffing makes it possible to increase the political and governmental expertise of an ever-widening group of members and to better utilize the reservoirs of volunteer help available to the Society.

Not included in the projected budget are funds for the opening of an office in Washington, D.C. The cost of such an office is estimated at approximately \$40,000 annually, to cover the salary of a full-time executive, secretary, rent and expenses. The Society is seeking separate funding for this important extension of its activities.

## *Outlook*

At the beginning of the year, many people, both within and without the Ripon Society, speculated on the relationship of the Society to the first Republican

—please turn to page 22