

ROSS GELBSPAN INTERVIEW

Q: I'd like to start off with background on the CISPES organization. A lot of people might not remember that organization from the 1980's.

GELBSPAN: Yeah. The CISPES movement really arose in the early 80's. And for a little bit of background, the political movements in the 70's centered around the civil rights movement and Vietnam War movement. The Vietnam War movement really left a lot of political activists feeling very deflated and somewhat defeated. And they got very re-energized during an early, but very short-lived movement in the very early 80's called the nuclear freeze movement – and this was to limit the number of nuclear arms. And that ended rather quickly because it was successful. But it energized the activist community. What gave rise to the CISPES organization and the CISPES movement, basically, was the fact that there were tremendous atrocities going on in El Salvador. There was a very brutal civil war going on. It reflected decades of very hierarchical and repressive government there. And you had growing numbers of Salvadorans coming up to the U.S., seeking political asylum. And what really – there were about three events that really catalyzed....

GELBSPAN: There were three episodes that really catalyzed the Central America movement. And the first was the assassination of an archbishop named Romero in El Salvador – who was really preaching peace and was trying to bring together the warring factions. Then there were four church women from North America who had gone down to El Salvador to work with the poor and so forth and to support the liberal cause – and their bodies were found. They had been brutally murdered by the death squads and the right-wing forces. There was also a political wing of the opposition called the FDR. And it turned out that 20 members of their organization were disappeared. They found six dead bodies mutilated and so forth. So that caused a lot of revulsion. And it caused a lot of people to question the policies of the Reagan Administration in Central America, both in supporting the repressive government in El Salvador and, later, in trying to counteract the democratically-determined sort of socialist-type government in Nicaragua that came on shortly thereafter.

So that was really the issue around which the Central America movement grew up. The first of the groups was called the Committee in Solidarity with the People of El Salvador, CISPES. But when we refer to the FBI CISPES investigation, it really included several hundred groups that had mobilized around these Central America issues all over the country. So when we use the word CISPES, we are also referring to many, many, many other groups that were all part of the Central America movement.

GELBSPAN: So at the same time that you had, first of all, a lot of veteran political activists but also a whole lot of church people becoming involved in this issue in North America. Partly because of the murder of church women down there, the murder of Archbishop Romero - and also because many of these Salvadorans were coming up to the United States and seeking political asylum. The government was turning them away, because in order to secure political asylum, you have to prove a well-founded fear of persecution. And if the U.S. government admitted that these people had a well-founded fear of persecution – that would be an admission

that they were backing a repressive and brutal government. So they kept turning these people away.

But there were many churches inside the U.S. that gave these asylum-seekers sanctuary. There's an old common law thing that if you get inside a church, you are basically safe from the political powers that be. You have a haven. And there were many churches, including several here in Boston, that provided sanctuary. At the same time that these groups, both church people and political people, were mobilizing around this issue – the Reagan Administration saw Central America as the real battleground between communism and democracy. Bill Casey, who was head of Ronald Reagan's transition team and then became head of the CIA, really felt that this was where the battle was going on. And he was looking at the spread of communism, previously throughout Eastern Europe and parts of Southeast Asia and so forth. And he said, "Wow, now it's coming to the Northern Hemisphere. Other than Cuba, we had it contained. But now, we see this is where it was going to spread."

So to Casey, it had to be stopped. And so you had this tremendous clash of world views between people who were sympathetic to the people who were being brutalized – as opposed to the Administration, who really saw this as drawing the line in the sand between communism and democracy. And I think that sort of sets the stage for two world views that informed the way this whole thing played out.

Q: Tell us about the genesis of investigation of CISPES by the FBI. In your book, you note that it went through a couple of stages. Can you tell us about the early inception?

GELBSPAN: Yes, it went through three stages. And the first one was under a law called the Foreign Agents Registration Act, called FARA – F - A - R - A. The conditions for a FARA violation are that if any group in the United States is being directed or doing the bidding of a foreign power, and in particular a hostile foreign power, it has to register with the State Department as an agent of a foreign government. And the Central America groups never registered as such agents and therefore, the FBI launched an early investigation based on whether there were these violations of this Foreign Agents Registration Act.

That was a pretty limited investigation and that basically only involved twelve FBI field offices. It lasted for about a year. At the end of that time, somebody in the Department of Justice said, "Look, you haven't found any violations of this act." So that investigation was terminated. It then went undercover. And it went into a second, really secret level of operations - and this was called an investigation regarding active measures. "Active measures" was a very clumsy word that was used by the Soviet Union and was basically used to describe propaganda, disinformation, manipulation of the media and so forth.

And so the FBI began a second round of investigation based on active measures. And it had an ally – it had some allies in the Senate. And in particular, there was a Senator named Jeremiah Denton who was head of the Senate Subcommittee on Security and Terrorism. And Denton said we need to pay attention to people who are not foreign agents of a foreign government, who haven't broken any laws, but who nonetheless are spreading disinformation and propaganda. He said, "Sometimes people who spread propaganda are more dangerous than those who throw the

bombs." So that became the second sort of deep cover operation by the FBI. And its primary manifestation was a terrorist photo album that essentially resulted in 700 entries of people who were suspected of being active measures agents – of, you know, forces inimical to the United States. And these included people like Representative Pat Schroeder; Senator Christopher Dodd; Robert White, who was the former ambassador to El Salvador and so forth. So that was the second incarnation of the investigation.

The investigation really went big in – I think it was in October of 1983. And in October of 1983, this followed a big meeting at Quantico, which was FBI headquarters. And this was a big meeting of the CIA and FBI in which one central person to this investigation, Frank Varelli, outlined a very elaborate scheme of links which he thought demonstrated connections between Moscow and Havana and Bulgaria and some of the North American groups that were working up here. And that really triggered an FBI terrorism investigation which allowed for much more intrusive kind of activities. It involved all 59 field offices of the FBI in the United States. It ended up with at least, if not more than, 100,000 names of citizens being entered in FBI files as potential terrorists and so forth. So those are basically the three incarnations of this investigation.

Q: You've spoken about people in Congress who had an ideological predisposition to want to see this broadened out, but can you talk about the internal dynamics of the FBI? Particularly, how did this move from what sounded like a more limited first stage into these very broad second and third stages, and who were the main drivers, and what was their rationale for broadening it?

GELBSPAN: From my point of view, the really main driver of this entire operation was Bill Casey, who was head of the CIA. When Bill Casey was head of the transition team for the Reagan Administration, he commissioned a couple of studies by the Heritage Foundation, and they came out with a couple of studies and they recommended several things. First of all, they recommended restoring expanded powers to the FBI that would allow them to do burglaries, much more intensive telephone taps, surveillance, infiltrating organizations – many of the powers that had been cut back in the late 70's after the Church Committee and Pike Committee and Rockefeller Committee had found these earlier abuses.

That same study also recommended to Casey, and this is something that Reagan enacted in a very early executive order – that the FBI could contract with private groups to collect intelligence and could conceal the existence of those contracts with those private groups. So it was essentially Bill Casey who was really running the show. And Bill Casey sat on an interagency task force, security task force, with Oliver North, who was on the National Security Council; with Oliver Ravel, Buck Ravel, who was the number two man in the FBI. And out of that grew a very secret, small, short chain of command operation within the FBI – which Oliver Ravel was at the top. The second in command was a man named Ron Davenport, inside the Washington office of the FBI. It went down to the Dallas field office, a guy named Dan Flanagan. And Flanagan was the handler for an operational asset named Frank Varelli, who had come up from El Salvador. And that was really the only chain of command, and that was basically kept secret even from most of the other people within the FBI. So that was basically the way it was organized and the way it was set up.

Q: Is that the Vice President's Task Force on Combating Terrorism you're speaking about?

GELBSPAN: No, it was an interagency – it was an interagency task force. The Vice President's Task Force, I think, came out much later.

Q: That's interesting. I hadn't heard that detail. One of the things we're looking at is, as episodes like this have happened over the course of time (the COINTELPRO operation for instance), there's the whole notion of a criminal predicate, traditionally needed by law enforcement to begin proceedings or investigations of American citizens. It had to be some kind of criminal rationale in evidence in order traditionally to make that happen. When it doesn't happen, there have been abuses. Can you talk about what or if there was any such predicate in this investigation?

GELBSPAN: Yeah, it's very interesting. The predicate for the Foreign Agents Registration Act, which actually carried forward and remained the predicate for the subsequent expansion of this investigation, really rested on three documents.

It rested – there were two brothers in El Salvador. One was head of a very tiny communist party. His name was Shafik Handal. They found when they raided Shafik Handal's house – they found what was called the Moscow Plan for the Domination of Latin America that implied there would be this network run by Moscow, including Bulgaria and Cuba and the FMLN, the left-wing insurgents in El Salvador, and so forth. His brother, Farid Handal, who also was a supporter of the political wing of the left-wing insurgents in El Salvador – Farid Handal came up to the United States in, I think in 1980, or – yeah, 1980, and he met with groups like the Institute for Policy Studies and so forth and he was basically trying to get the creation of solidarity groups in the United States who would be sympathetic and supportive of these – these activities in El Salvador.

And so these two documents, along with one other document that was written and put in FBI files by a man named John Reese that said that CISPES was basically a communist front organization, these were really the three predicates. And when they were examined in 1989 by the Senate Intelligence Committee they were found to be totally uncorroborated. The Reese article was really laughed out of Congress because Reese was a known liar - he had been a police informant. And, in fact, the organization he worked for was later used to launder money that went to the Contras in Nicaragua. This was a CIA supported and created force that was being funded to topple the democratically-elected Sandinista government. The trip by Farid Handal, who was pushing for the creation of some political support groups up here, was seen to be really innocuous. And when I talked to a CIA official off the record, he said what Farid Handal was doing was nothing different than what Israel and Taiwan and South Africa were doing. They were coming to the U.S. They were lobbying for support. They were trying to get organizations set up.

So this was basically what the predicate was. It was basically hollow. It was airy. And when the Senate investigators looked at it in '89, they said this was inauthentic. It was uncorroborated, and it was essentially baseless. So the predicate really held very little water. But that was the predicate that remained throughout the entire – stages of the investigation.

And I think it's worth adding that the FBI has no statutory mandate to gather intelligence politically. It only has a mandate to gather criminal intelligence if it has strong reason to believe that a crime is being committed or is being planned and so forth. One other piece that goes back - and I'm sorry to go out of phase here - but one other piece that goes back to Bill Casey's original motivation, was one of the recommendations that Casey promoted, was breaking down barriers between the CIA and the FBI. And those barriers had been established by law. They were reinforced by legislation after the COINTELPRO investigations. And what Casey did was to break down those barriers. And as a result, you had the FBI operating abroad, gathering political intelligence. And you had the CIA setting up a domestic operation inside the United States that was churning out huge amounts of disinformation and propaganda - allegedly from independent people, but, in fact, being run by a man who headed up psychological operations for the CIA - to persuade many Americans of the validity of these Reagan policies in Central America.

Q: One very fascinating point that I found in your book that's worth dwelling on is that in the initial stages the investigation was terminated, if I understand correctly. Can you talk about why that was? And then also the corollary interesting fact is that according to Varelli, there were people in the Dallas office saying, "Don't worry, this is going to be coming back."

GELBSPAN: That's right.

Q: Can you talk about that whole transition?

GELBSPAN: I think this comes from the relationship between Casey and Ravel and Oliver North, who was becoming increasingly prominent. The Department of Justice - these FARA - this original FARA investigation had a built-in statutory time limit - I believe it was one year, I'm not positive. But anyway, at the end of that period the Department of Justice said, "Hey you haven't found this connection to a foreign power. This investigation is over." The FBI agents working on it were rather deflated, but they were told from Washington, "Don't worry about it this will be coming back." And that's when they decided to go under deeper cover and do this active measures investigation. And they waited until the FBI authorized this vastly expanded investigation in 1983. That investigation got a huge shot in the arm when it was found - when there was an episode that happened in early November of '83. There was a bombing in the Capitol building. And that bombing - I don't believe it caused any injuries, but it certainly created a great deal of fear among law enforcement and security people. And that bombing became the rationale for this tremendous expansion of the surveillance of all these Central America activists, of break-ins of their homes and torching of some of their homes and a lot of very, very difficult kinds of intimidations.

What's really noteworthy here is that the FBI knew from the moment this bombing happened who did it. Because this same very small group - it was called the Armed Resistance Movement - and they were a splinter group of another very small group called the May 19 Organization - they had done some other similar bombings - basically protesting the United States invasion of Grenada several years earlier. But they had no connection to any of these Central America groups, and the FBI knew that. They knew their identities within a day of this Capitol bombing,

and nevertheless, they used this as an excuse to ramp up the investigation to full nationwide scale.

Q: Before we get into what actually happened, break-ins and so forth, I think it's important for people to understand that there was not only an investigative side to what was happening, but also that there was a covert operations side to it, an intimidation side to it. Can you draw those two parallel tracks for us?

GELBSPAN: Yeah let me start by talking about Frank Varelli a little bit. Frank Varelli is very central to the story. Frank Varelli was born in El Salvador. Frank Varelli's father was very heavy in the Salvadoran government. Frank Varelli's father was the director of the military training academy. He was then Director of the National Police. He was the Minister of the Interior. He was later Ambassador to Guatemala. And his son Frank was a member of the National Guard of El Salvador, which is one of the most repressive and brutal police agencies in the world at that time. Varelli also spent a short time as a minister, because he did some evangelical preaching to counteract preaching that was going on that preached on the basis of liberation theology. Liberation theology was a school of thought - basically a school of theology that said we need to help the poor, and by helping the poor and increasing equity in society, we are essentially attaining a more religious society. Varelli counteracted that by promoting a sort of a counter-theology which was much more evangelical.

But Varelli himself came up to the United States after there was an assassination attempt on his father's life. The family moved up to Los Angeles. At that point, Varelli was approached by an FBI agent who said, "We are going to begin a large investigation of all these Central America groups in the United States, will you help us?" One of the things Varelli had done before he came to the United States was founded a death squad in El Salvador - the Maximiliano Hernández Martínez death squad. After the FBI - after he agreed to work with the FBI, he went back down to El Salvador. He met with what was called the Council of Families. This was a small group of very wealthy, influential people who funded most of these death squads. He arranged for a death squad from El Salvador to set up shop in Miami - and they also later set up a branch in Houston, also. He also brought back a huge number of files on political dissidents in El Salvador which were ordered destroyed. And in fact, Varelli ended up having them copied. He brought them back to the FBI. He said, "Here are these groups. Here are their linkages. Here's why they're connected with Moscow. Here's where they're part of the grand plan of the Soviet Union. And let's see if we can find some North American groups who have contacted some of these individuals and that will give us the smoking gun." O.K.?

So Varelli was very central to this FBI investigation. And, in fact, what began to happen - and it happened - I think it really began in 1984 - and this is what caught my attention as a journalist - was a sort of a low-intensity terrorism going throughout the United States that was targeting a lot of these activist groups. And the most common form that it took was in the form of break-ins of churches, break-ins of political organizations. And in almost all these cases all that was stolen was files and names of members and contributors. Items of value were almost invariably left out.

Q: Can we go back and pick up from when you noticed this kind of activity going on, the

lead-in to your part of your window on this break-in activity?

GELBSPAN: O.K. O.K. I was a journalist. I was a reporter at the Boston Globe at that time, and had very little knowledge about Central America – really no interest and no knowledge about what was happening in Central America. And on one particularly slow news day, there happened to have been a call from a church in Cambridge, Massachusetts. The old Cambridge Baptist Church said they had a break-in and they didn't know why. So I went over there and it turns out that all that was stolen was some files. This church was harboring one labor organizer from El Salvador in sanctuary, a woman named Estella. And that's what the congregation was doing. The church basement also was renting office space to four or five groups who were active in the Central America work opposing the Reagan Administration.

But again – then this break-in – some files were stolen, nothing of value. It was worth about two or three paragraphs in the newspaper. No big deal. And then there began coming in to me – reports of break-ins like this all over the country. In fact, this Old Cambridge Baptist Church suffered about 10 such break-ins. But in short order, I had about 50 such break-ins going on all over the country. No other press was paying any attention to this. Every time I asked the FBI, they said certainly they didn't do it. The second question I asked the FBI was, 'Assuming you didn't do it – isn't there here, a clear conspiracy to deprive people of their civil liberties that's going on? Why are you not investigating it?' And they said, 'No, no, no – this is a matter for the local police.'

And then of course, every time you talk to the local police – because this is not a big deal theft, with a lot of wealthy stuff stolen – it's really below their radar screen. They're dealing with too much other drug crime and street crime and stuff like that. So it really didn't get the attention in any kind of depth from the local police. But I was quite frightened and I was quite horrified to see this pattern of break-ins expand and go on. And then I heard a lot other harrowing stories of intimidation and so forth, which we can go into later. But that's really what got me involved in this. And again, because of what had come out during the COINTELPRO hearings - but again, I suspected the FBI. But again, my only question was why were they not investigating what was becoming more and more evident a conspiratorial activity to deprive people of their civil liberties?

Q: I'd like to talk about some of the other death threats, intimidation, any case studies or anecdotes that you can deliver.

GELBSPAN: A bunch of these episodes just involved, as I say, theft of files. And in many cases they were peculiar, because there were items of value left. For example, there was a travel agency in San Francisco that booked trips - that booked charter trips to El Salvador and Nicaragua. They were broken into a number of times. In one case, there was \$1,500 in cash there that was left untouched and only files were stolen.

There was an instructor at the Mass College of Art, whose name was Dana Moser, who was setting up an exchange with Nicaraguan artists and Boston-area artists. And his home was broken into. His computer discs were stolen. A lot of expensive audio-visual material was left untouched.

There was a woman named Sara Murray in Michigan. She was – headed up some Inter-faith Committee on Central America. Sara Murray had a succession of things happen to her. She mailed out a whole batch of newsletters, and then, several months later she got all of these newsletters returned to her in one box with no return address. She subsequently went to Chicago for a visit to the American Friends Service Committee, which is the Quakers' organization. And when she came out, a cab cut in front of another cab to take her to where she was going. She realized she had left something upstairs in the building. She told the cab to go on. She went up and got what she'd lost. She came back down. That same cab driver was still there. And as he was driving her to her destination he said, "You have to be really careful about doing this Central America work. If not, you can be kidnapped, or you can be killed, and your apartment burned so it will look like an accident. So you really better stop doing this work that you're doing."

There were a huge number of car break-ins in a period of time in Los Angeles. Again, files were stolen. Jewelry and fur coats and so forth were left.

GELBSPAN: There was a labor organizer in Arizona named Francesca Cavazos. And she was going down to Nicaragua to observe the elections and see what was going on – and she gave an interview to the local press. And sure enough, when she was gone, her entire house had been burned down. And police said clearly it was arson.

Probably the scariest of all these individual episodes involved a woman named Yanira Corea. Yanira Corea worked for the CISPES office in Los Angeles. One day, Yanira Corea was driving with her son toward the airport in L.A. and two men sort of blocked her car. And one of them reached into the window and tried to grab her son and she held him. And they took a book with her son's photograph, and she proceeded – she went on her way.

A couple of days later, she came out of her office in CISPES, and she was abducted by two men, put in a van, driven around for about 12 hours. She was raped with a stick. They cut death squad initials into her hands. They burned her with cigarettes and then they sort of left her 12 hours later. I confirmed all this with the doctor at the hospital who treated her. I confirmed all of these reports by the activists, because the right-wing people said they were fabricating these - and in many cases said they were self-inflicted. So it was very important for me to corroborate them with the local police or the attending physicians.

Yanira Corea was very traumatized by this event, obviously. But after about six months, she finally decided to go public and tell her story. So she came to New York City, and I went to interview her in the office of a group called Madre – this is a group that was based in New York that basically did literacy training and nutritional training for illiterate mothers in Central America and so forth. And so Yanira Corea and a Boston Globe photographer and I sat for about an hour. We did our interview. At the end of the time, the photographer went out to use the ladies room. When she came back, she found a piece of paper stuck under the door. And she brought it in and we opened it up and there was a picture of a little boy with his head cut off, sitting in a pool of blood, with a note to Yanira saying, "Do you know where your son is?" So this is an example of the intimidation that was going on there above and beyond simply all these break-ins and thefts of files.

Having said that, the really most tragic victims of these were the Salvadorans. At this time, because of the brutality and the conflict going on in El Salvador, there were hundreds of thousands of Salvadorans who were coming up here and applying for political asylum. They were sent back down there. They were refused political asylum. And one thing that the FBI did, and they did this through Varelli – Varelli went to Houston and Varelli met with a woman who worked in the Salvadoran Airline office. It was called Taca. That was the airline that the Immigration Service used to send these asylum-seekers back to El Salvador. And Varelli arranged for this woman at first, and later for this airline, to hire an FBI agent to work in this airline - to get the flight manifests, the list of passengers who were on these airlines. And these flight manifests were then sent down to somebody in the National Guard, a man named Villacorte in El Salvador. So that when these deportees or these asylum-seekers were returned to El Salvador, they were surveilled, they were killed, they were disappeared. One group did a very small sort of sample study of 154 of these returned asylum-seekers. 52 were killed, 47 were disappeared, a number of others were not seen. So it was a very high percentage of these asylum-seekers who were murdered or surveilled or tortured on their return. And those were the people who really suffered even more than the activists in North America. And of course, they didn't get nearly the attention because they weren't Americans. But, from my point of view, that's where the blood was really on the hands of the FBI.

And at one point in the congressional hearing, Ravel, who was number two on the FBI, told the Senate they never had any direct communications with the Salvadoran military authorities.

Frank Varelli, who had worked for the FBI, had tape recordings of his conversations with the head of the intelligence unit of the National Guard of El Salvador – which he had requested be monitored by the National Security Agency – so that there would never be any doubt about whether he was playing two roles - whether he was really serving the interests of the U.S. So he knows that the FBI knew about these communications.

Part of these involved transmissions of these manifests, or identification of people that were put on death squad hit lists and so forth - as well as groups up here that were being targeted for break-ins. And the one payoff was when Varelli went to Houston in 1985 and met with the death squad people there. They had a huge Wang computer that had all these files of North American groups in them. And he said their files were much more extensive even than the FBI's files. So when the FBI denied any active collaboration with the National Guard of El Salvador and the military arm down there, the National Police - that was clearly contradicted by these tape recordings and these various other pieces of evidence. And that was why the FBI worked so very hard to discredit Varelli when he came public.

Q: To backtrack a little, can you give us a little insight into these two simultaneous operations going on, one being the FBI CISPES investigation, and then you had this low-grade terror campaign. What kind of connections between those two different things have you found? What kind of connections were borne out by your investigation of this?

GELBSPAN: The connections were indirect – in other words, the FBI didn't do more than one or two or maybe three of these break-ins. They were all done by contracting agents, and in most cases, they were the Salvadoran death squads. Varelli himself did a couple of break-ins that he told me about. He told me about two other break-ins that were done by FBI agents. I asked the

FBI about it. They did an internal investigation and said, "No, that didn't happen." But the connection is that all these files that were stolen turned up in FBI files. And when the Center for Constitutional Rights did a big Freedom of Information Request and got thousands and thousands of pages of files, much of the material was based on stuff that had been stolen from these break-ins by these death squads and other right-wing agents also - and ended up in FBI files.

There's another interesting right-wing connection, which is that there was a very conservative organization run by the Reverend Sun Myung Moon - the Moonies - back then. And they were - had a far right agenda and they were big supporters of Reagan. And one thing they did, whenever these Central America groups would hold rallies at campuses, they would always start fights - the Moonies would. They would throw rocks, they would start fights. So they would scare university administrators into not allowing these Central America groups to have their rallies, because they thought they brought violence with them and they brought trouble with them. But this was the plan. This was another way of trying to cut short this operation.

Q: I'd like to talk about Frank Varelli, because his name has been brought up several times here. Can you talk about the centrality of Mr. Varelli in the expansion of this investigation within the FBI and later on. You said that he had made a big presentation at Quantico that really seemed to propel this to another stage.

GELBSPAN: Varelli was not an FBI agent. Varelli was what's called an operational asset. He was at first an intelligence asset, and then he was an operational asset. So Varelli did not have the power to expand investigations, O.K. Varelli was simply an information gatherer. At the beginning, one of the first things Varelli did was to assume an alias and infiltrate the CISPES organization in Texas. And he posed as a poor man named Gilberto Mendoza, whose father was a labor organizer, whose parents had been killed by death squads, who came up to the United States. And he ingratiated himself with several nuns and also some of these religious political activists in the Texas area. And they sort of trotted him out as an example of one of these poor, oppressed Salvadoran refugees. And he played this to the hilt. He was very, very clever and he was a very good actor. He had taught himself to cry on command. And he was very, very persuasive with his identities.

Varelli helped the FBI get started simply by finding a copy of Mother Jones in 1981 - Mother Jones, the magazine - that listed a group - a number of Central America groups that were starting up. And he gave that to the FBI and they began looking at these groups. But in terms of the expansion of this - no, that was way over his head.

When the Justice Department said that the original, small, limited FARA investigation was over, Varelli was sure that was the end of the whole game. And then they allowed him to do this whole terrorist photo album - some of this active measures work. Then when it was really expanded by Ravel, this came from Washington, this did not come from Varelli - Varelli had no such power within the FBI to do this. It's interesting that in 1989 when Director Sessions, who really was not the FBI Director during this time, William Webster was. But Webster resigned or was kicked upstairs slightly before the Senate hearings took place. Sessions sort of blamed the whole thing on Varelli - and he said, "If we had only known that Varelli was leading us down the

garden path, we wouldn't have gone there." And Sessions said the biggest mistake that the FBI ever made was expanding this investigation from a mere twelve field offices to this very large nationwide investigation involving all the field offices. And Sessions told Congress, "I can't figure out how that happened."

Well it turns out that through this Freedom of Information request, there was an order signed by Oliver Ravel, number two at the FBI - that came out to the public through a FOIA, through a Freedom of Information request - mandating this expansion of this investigation. So it really came from the top. It really came from this interagency task force with Ollie North and Bill Casey and Oliver Ravel. That really was where the expansion came from.

Q: Why was there such emphasis put in the Congressional hearings by FBI superiors trying to blame this on Varelli? Why did they single him out as the fall guy for a lot of this?

GELBSPAN: Varelli worked with the FBI until he quit. And I believe this was around 1986. And he quit not because of any political change of mind - he was really virulently anti-communist his whole life. That was his world view. But he quit because he was being cheated of money by the - or he alleged that he was being cheated of money by the agent who was running him, who was handling him. And so he quit. And when he quit, he decided to go public. Because he also realized at one point - and he told me this - the FBI wasn't interested in helping the right-wing in El Salvador. The FBI wasn't interested in really preventing the development of a terror network. All the FBI was interested in is protecting Reagan Administration policies. And that offended Varelli.

So Varelli decided to go public. And Varelli was called to testify before the House Committee on Civil Liberties - the House Judiciary Subcommittee. Varelli begins to tell his story, and as he is beginning to tell this rather amazing story, he's interrupted by Representative Sensenbrenner from Wisconsin, who says, "Wait a second. The FBI tells me you failed your polygraph examination and therefore you have no credibility whatsoever." In which case, the hearings essentially closed. None of the press would talk to Varelli. Varelli was seen as a loose cannon who had no credibility whatsoever.

I subsequently spent time with Varelli. He told me a lot of these very detailed stories of things that they had done. And we went to a very good lawyer in Washington who got Varelli's personnel files through a Privacy Act request from the FBI. And among all these personnel files - which basically verified everything that Varelli had been saying - were his polygraph results - when he had taken his lie detector test. And when he took them, the polygraph examiner said he had passed with flying colors. And on the examination papers it said, "No deception in three sessions of polygraph examinations." There was no deception found. It was only several years later, when Varelli decided to go public, that the FBI retroactively said they found deception in his polygraph results. And they discredited him publicly. And that was basically why he never was able to go further until I spent this time with him - and we sort of got all these documents out and found out that he was telling the truth.

Q: What was the impact of these congressional hearings on the FBI's investigation of CISPES?

GELBSPAN: They basically immunized the FBI from any blame for all these break-ins that were taking place. They basically left all these Central America groups very deflated, because they knew there was a coordinated, systematic attack going on. And the collapse of these hearings, and especially with the discrediting of Varelli, essentially left these Central America movements feeling very vulnerable.

I think it's important to understand the composition of the Central America movement. Unlike the anti-Vietnam War movement, certainly the civil rights movement – those movements were really led by veteran political activists who were very savvy. They were used to sort of political hardball stuff. They were used to street theater. Many, many people who were involved in the Central America movement were moved by religious motives. Many of them came from church organizations. They were not used to standing up to authority and they were very easily intimidated. And they were doing it because they were appalled by atrocities and the murder of the archbishop and the murder of these four North American churchwomen.

So when these break-ins and these surveillances and these freaky intimidations happened, a lot of them were really scared away from going further. And when Varelli's testimony was torpedoed in Congress, it essentially really left the whole movement feeling very vulnerable - because here was their one chance to vindicate themselves. Here was their one chance to sort of pin down this phenomenon that was happening, and pin responsibility for it – at least have it validated in a national forum. And it wasn't, because of this disinformation about Varelli having failed his polygraph exam.

Q: You made a really interesting point about this investigation of CISPES, and other like activities, being the domestic side of Iran-Contra that people heard about in the mid-1980s. Can you give us a little summary?

GELBSPAN: Certainly I can. For people who don't remember, Iran-Contra was a scandal that was really was the major scandal in the Reagan Administration. And it grew out of a congressional resolution or a congressional act called the Boland Amendment - which forbade the Administration from supporting a group called the Contras in Nicaragua, who were opposing – they were trying to undermine the Sandinista government that had been elected. The Nicaraguans elected the Sandinista government, which was a somewhat socialist government - but they were democratically elected.

In response, the CIA set up this counter-group called the Contras. And Representative Boland sponsored this amendment, which was passed by Congress, forbidding the Administration from supporting these Contras. So as a result, the Administration set up an operation that was external to the U.S. government. It privatized a lot of its operations and what it – the first thing it did was it contradicted the Reagan policy of not dealing with terror – terrorist countries. It sold arms to Iran and it used the proceeds of these arms sales to fund the Contras, who were trying to undermine the Sandinista government in Nicaragua. And it really spawned what was called an off-the-shelf operation that was essentially run by Ollie North and John Poindexter - people in the National Security Council. And what we're seeing in – what we saw in this CISPES investigation was basically the domestic side of this same operation.

Because, as I said, most of these break-ins and threats and arsons and assaults were not done by FBI agents. They were done by private groups, most notably Salvadoran death squad folks - but others as well - who were contracted by the FBI. And under this Reagan executive order that was set up very early, the FBI and CIA could contract with private groups and could conceal the existence of those contracts - which meant they were immune to congressional investigations; which meant that reporters couldn't find out through Freedom of Information requests.

There was basically an independent, off-the-shelf government operation going on that was really beyond the reach and knowledge of the American public and the American political apparatus, essentially. One way in which that played out also, that I'd like to talk about a little bit, has to do not only with giving the FBI unprecedented powers abroad, but also giving the CIA powers internally. The CIA had always been confined to operations abroad - intelligence gathering operations abroad. One thing that they felt was very necessary, was to beef up public support for these controversial Reagan Administration policies - less in El Salvador and more in Nicaragua.

And so there was set up - and again this was done by Bill Casey who was head of the CIA - there was set up in the State Department an obscure office called the Office of Public Diplomacy. And it was run by a CIA person who headed up psychological operations for the CIA. He retired from the CIA. He was no longer formally a CIA agent, but he headed up the State Department Office of Public Diplomacy. And what this office did was basically inundate the media with - with material in support of the Reagan Administration policies. I think in one year, it had 1,500 public talks. They placed op-ed pieces in the Wall Street Journal, the Washington Post, the New York Times. All of these pieces were purported to have been written by independent individuals - when in fact they were written by this Office for Public Diplomacy - or for people who were on the government payroll - or for people who were supporting the Reagan policies. They placed huge amounts of material in libraries and in media and in classrooms and so forth and so on.

And so there was this very large other operation going on, and it intersected to some degree with the FBI operation. And one way in which it intersected came to me when I came across a private investigator in Fort Worth, Texas, named Phil Mabry. Mabry had worked with Oliver North.

Mabry's phone logs showed 40 phone calls to North's office. Mabry became a bit disenchanted, not because he didn't believe in the Administration's policies - he himself was very anti-communist. But he learned that some of these Contra supply operations involved bringing cocaine back into the United States. And he was very offended by that. He felt that that should not be allowed to happen. And so Mabry eventually distanced himself from the operation. One of the things Mabry was asked to do by Oliver North - was to get a lot of his other politically conservative colleagues to write letters to the FBI requesting investigations of a bunch of these Central America groups. And it's FBI policy that if they get two or three letters from around the country requesting an investigation, that's enough to open it up - up one. So that was a sort of second layer of predicate, above and beyond these earlier documents that we discussed. That sort of gave the FBI more material to justify what it was doing.

And Mabry himself did a lot of photographing people, sending material in and so forth. So this really was an operation that involved the National Security Council. It involved the Central Intelligence Agency. It involved Defense Intelligence Agency. It involved the Federal Bureau of Investigation. And as Ambassador Robert White said to me, 'Reagan didn't just mobilize the

FBI against the Central America movement - he mobilized the entire government around his Central America policies." And that all grew out of this Iran-Contra scandal.

Q: There's one small offshoot of something that came out during the Iran-Contra hearings that I'd like to hear you talk about, because it sheds light on one of the central issues we deal with in this film: the consolidation of power in the executive branch. Various Administrations have afforded themselves vast amounts of secrecy that has laid the groundwork for all kinds of different violations of the Bill of Rights. One that reached the planning stages, but, as you said, never reached fruition in terms of an operation, was Rex 84. Can you tell us about that? It kind of dovetails with some of the things that we're discussing from this time period.

GELBSPAN: Rex 84, as I understand it – and it was very murky, but there were plenty of documents indicating that it was clearly being considered. Rex 84 brought yet another agency into this mix that was doing very repressive activities, and that was FEMA, the Federal Emergency Management Agency. FEMA normally – its normal function is to deal with natural disasters, flood relief and so forth and so on. It has the capacity for handling large quantities of people and so forth. And the idea under Rex 84 was that FEMA would set up very, very large detention centers. And that in the case of a national emergency, the police forces would round up, and FEMA would detain, first all the undocumented aliens that were in the United States, but also an undefined number of political activists who were opposing Administration policies. And apparently they went so far as to create some large holding areas, I believe in Arkansas and Texas. Rex 84 never got off the ground. All that that ever happened that I'm aware of was it was raised by one Senator in some Senate hearings. And that Senator was told, "That information is classified. This is not to be discussed." And he was cut off before he could really inquire about Rex 84.

So we have enough documented evidence that it was being considered, but we don't believe it was ever really implemented. But we do believe that preparatory activities such as detention centers were in motion. That's all I know about Rex 84.

Q: That's about all anybody seems to know. It's hard to find people who can even speak to it, because it's such an obscure topic. But going back to CISPES: at the conclusion of this whole investigation, as near as anybody can tell there was a conclusion, were there any criminal prosecutions that ever arose from the FBI's investigation?

GELBSPAN: No, it's interesting. There were more than 100,000 names of political activists and religious activists who were entered into FBI terrorism files – but there was not one arrest for any crime. Except for a couple of sidewalk violations during rallies, there was not one person arrested and charged with any crime in connection with any of the Central America activities.

The Senate, in its hearings, ended up reprimanding and demoting six ranking FBI officials. In fact, Oliver Ravel, who was in line to be the next director of the FBI, was sent back to the Dallas field office. But again, we feel that the sanctions against the FBI officials who were participating in this weren't strong enough either - especially given the lack of any criminal prosecutions of hundreds of thousands of people who were involved in these protests against the Administration's Central America policies.

Q: I think we've hit all the major points, but there's one that I wanted to go back and cover as an introduction. You covered the first break-in at the church.

GELBSPAN: Yeah, I was a reporter at the Boston Globe. I knew nothing about Central America issues. I was very concerned when I was doing my reporting about secrecy inside the Reagan Administration. So I did a very big series in 1984 on restrictions on the Freedom of Information Act. Reclassification of a lot of material - a lot of ways in which government information was much more inaccessible to the public and the press.

Then, I think it was in 1986, that on a very slow news day I got a call that there had been a break-in at a church in Cambridge, Old Cambridge Baptist Church. This church housed a Salvadoran labor organizer in what was called sanctuary. It gave this labor organizer sort of safe haven in the church. And in the basement of the church they also housed the offices of four or five political organizations that were opposing Reagan Administration in Central America.

Anyway, I went over there. It turned out nothing of value was stolen - a few files were taken. It was worth about two or three paragraphs in the newspaper. No big deal. The church suffered a couple of subsequent break-ins. And the next thing I knew, I had reports of about 50 such break-ins from all over the country. They were happening in Seattle and Philadelphia and Miami and New York and Chicago. And I was very distressed that the press wasn't looking at this.

Clearly, after each one of these - I asked the FBI if they did it. They said, "Of course not." Then my question to the FBI was, "Why aren't you investigating what's a clear interstate conspiracy to deprive people of their civil liberties?" Which gives it federal jurisdiction, since they're interstate. The FBI said, "No, it's not worth our problem. These are local police matters." And clearly, because in none of these cases were people murdered or were large thefts involved, the local police didn't have the time to pay much attention to this stuff, either. So it became very troubling to me as more and more of these break-ins, intimidations, and harassments came across my desk. Is that what you wanted? I'm sorry.

Q: As a last question: is there anything you feel we've left out of this discussion that you want to add? Or what lessons should we be learning from the 1980s?

GELBSPAN: Yeah, I think that's the only one. Because you don't need some of this detailed stuff [reviewing his notes]. It's O.K. that I blocked a lot of it out.

LAUGHTER

GELBSPAN: I think one very important lesson to be learned is that the public should never tolerate an equation in which support for one Administration's policies is equated with patriotism. Because all these Central America people, all these religious people, were very patriotic. They were opposing a policy by the Reagan Administration. They were not opposing the United States government. They were not out to overturn the capitalist system. They were not out to turn us into a Soviet satellite. So I think it's very important that the public not equate dissent with anti-patriotism.

Another lesson that came home to me very hard was how lazy the press is. It was very, very clear after we had 50, 100, 150 of these break-ins that none of the press was picking up on this.

And it was very clear that this was not a coincidence, that what was going on was in some fashion coordinated, even though we didn't know exactly how. So I think another important lesson is not totally to depend on the press to defend our liberties - as long as those attacks on liberties don't directly affect the press itself, so that it fights back. I think we tend to become complacent, because we think of the press as the watchdog of our liberties. And in too many cases I've seen that really not happen.

In this day and age, I think the most difficult problem to wrestle with – since we really are under terrorist threat, and we have been since the blowing up of the Federal Building in Oklahoma City, and the destruction of the towers, and the attacks on the Pentagon by Al-Qaeda – is how do we balance real security with civil liberties? And it seems to me that the bottom line on this is that as soon as we sacrifice our civil liberties - that means that the terrorists have won.

It is our civil liberties that makes the tradition of the United States, however imperfect its application has been, really unique. And it really makes us a model for people around the world. And I've done a lot of foreign travel - and what they really prize about the United States is openness of dissent, freedom of speech, the ability of anybody to put forward whatever they want to put forward. And I'm very worried that our fear of attack will allow us to become more acquiescent – to allow more police powers to expand. That we will willingly surrender this tradition of civil liberties, free speech and free access to information - because of fear. And, in fact, that it will mean that the United States will essentially have been defeated by the terrorists. And it will mean that the United States government will become progressively more terrorist itself in it's - the way it handles itself domestically, the way it treats dissenters, and also the way it treats people abroad.