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Playing With Pawns

America's most powerful team of brothers in the post-World War II era was not named Kennedy. It was the Dulles brothers — John Foster as secretary of state and Allen as director of the Central Intelligence Agency who permanently changed the nation's diplomatic and intelligence-gathering activities into a means of waging covert war against foreign governments posing real or imagined threats to the United States and the "free world." Half a century before "regime change" was the mantra of neoconservatives demanding the overthrow of governments in Iraq and elsewhere in the Middle East, the Dulles brothers plotted and carried out the overthrow of governments in Iran and Guatemala, attempted to subvert and overthrow regimes in Indonesia and Cuba, and helped plan an assassination in the Congo. Stephen Kinzer's recently published book, The Brothers, details the means by which the two men formed "a nexus of power unmatched in American history."



All in the Family

The brothers developed a taste for the machinations of world politics early in life. Their maternal grandfather, John Watson Foster, had been secretary of state under President Benjamin Harrison and helped direct the 1893 overthrow of the Hawaiian monarchy of Queen Liliuokalani. Foster endorsed the sending of American troops to the islands in support of a rebellion by white settlers, who took control of the new government of Hawaii.

"The native inhabitants had proved themselves incapable of maintaining a respectable and responsible government," Foster later wrote, "and lacked the energy or will to improve the advantages which Providence had given them." Foster became "the first American secretary of state to participate in the overthrow of a foreign government," Kinzer wrote.

While growing up in Watertown, New York, the Dulles boys attended three services every Sunday at the First Presbyterian Church where their father, the Rev. Allen Macy Dulles, was pastor. Foster, as the elder brother was always called, took pride in memorizing long passages of Scripture. To celebrate his seventh birthday, he memorized seven psalms. It was not until he was a student at Princeton that he decided he would become a "Christian lawyer," rather than a minister, as all who knew him expected. The decision, he later said, "nearly broke my mother's heart."





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"Grandfather Foster" was not the only family member to precede John Foster Dulles as secretary of state. Robert Lansing, the boys' uncle, held that post under Woodrow Wilson. Soon after landing a position with the prestigious Sullivan and Cromwell law firm in New York, Foster found it useful to call on "Uncle Bert" at the State Department for assistance. When an uprising in Cuba threatened the interests and holdings of 13 Sullivan and Cromwell clients, Foster suggested to his uncle that the Navy send a pair of destroyers to the coast of Cuba. Warships were sent and Marines landed, spreading out though the countryside to suppress the revolt in the beginning of what would be a five-year occupation. It was the first time Foster played a role in a foreign intervention.

Wilsonian Republicans

During World War I, Lansing expanded the United States' intelligence service from two employees to more than 1,200 by the end of the war. One of them was nephew Allen, who had passed the foreign service examination and joined the State Department in 1916. He was sent first to Austria, then to Bern. Because Switzerland was a neutral nation, throughout the war the Swiss capital was a haven for spies, exiles, and revolutionaries from around Europe. The younger Dulles brother eagerly plunged into that environment and produced a number of impressive reports about troop movements, planned attacks, and the location of a secret factory where Zeppelin bombers were being built. Aided by generous stipends from "Uncle Bert," Dulles also enjoyed the free-swinging social life of the city. As Kinzer described it, he "spent mornings dispatching agents on clandestine missions across Europe, afternoons with his mistress of the moment and evenings debriefing spies over cognac at the Bellevue Palace Hotel in Bern."

Foster tried to enlist in the military, but was rejected because of poor eyesight. Lansing arranged for him to be given the rank of colonel and made legal advisor to the new War Trade Board, where he was able to use his influence to gain government contracts for Sullivan and Cromwell clients. At war's end, both brothers were in Paris for the peace conference. Foster was appointed by his uncle as a member of the American delegation, while Allen was named to the Boundary Commission, which had the task of drawing the new borders of Europe.

At the head of the American delegation was none other than President Wilson. The brothers, both Princeton men, were fascinated with Wilson, who had been both professor and president of the Ivy League university. Foster always regarded him as his "favorite professor," and Allen was no less impressed by Wilson's determination to defend and promote "democracy," wherever the opportunity arose and by whatever means might prove most persuasive.

"When properly directed," Wilson said, "there is no people not fitted to self-government." Yet Wilson, Kinzer noted, "sent American troops to intervene in more countries than any previous president: Cuba, Haiti, the Dominican Republic, Mexico, Nicaragua, and even in the turbulent period following the Bolshevik Revolution, the Soviet Union." Obviously, some people needed to be "properly directed" toward democracy by the barrel of a gun or the point of a bayonet, a lesson not lost on the Dulles brothers.

Dulleses and the New World Order

In 1921, the brothers were among the elite group of bankers, businessmen, and international lawyers who formed a new organization to guide governments and help create a new world order, subservient





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to the interests of powerful American corporations. The club, where membership was by invitation only, was called the Council on Foreign Relations, and its motto, Kinzer pointed out, "was a single Latin word that spoke volumes: *ubique*, meaning 'everywhere.'"

Allen went back to school, gained his law degree, and eventually left the Foreign Service to join Sullivan and Cromwell, where Foster had become the sole managing partner. Both brothers were heavily involved in international finance. Foster had helped design the Dawes Plan of 1924, which opened opportunities for American banks to restructure Germany's reparation payments. In a span of seven years, Sullivan and Cromwell brokered \$1 billion in loans to Germany. In 1931, Foster was the agent for a consortium of American banks that persuaded the German government to accept a loan of nearly \$500 million to prevent a default. In 1934, he brought Germany's biggest nickel producer, I.G. Farben, into a cartel with U.S., French, and Canadian companies, giving Germany access to the world's supply of nickel, a crucial ingredient in stainless steel and armor plate.



Harry Truman's upset victory over Thomas Dewey in the 1948 presidential election put a four-year freeze on John Foster Dulles' drive to become U.S. secretary of state.

Sullivan and Cromwell floated the first American bonds issued by German steel and arms manufacturer Krupp A.G. and successfully fought Canada's effort to restrict the sale of steel to German arms makers. Starting in 1933, all letters from the German offices of Sullivan and Cromwell ended with "Heil Hitler," as required by German regulations. The ties with the Nazi regime brought about one of the few political disagreements between the Dulles brothers. Allen was convinced the firm should terminate its business in Germany, while Foster argued that pulling out would cost the firm a lot of money and "do great harm to our prestige." The other partners agreed with Allen, and Foster reluctantly made the vote unanimous.

During World War II, Allen got back in the spy business, working for William "Wild Bill" Donovan in the Office of Strategic Services, the forerunner of the CIA. Foster, meanwhile, hitched his political ambitions to a rising star in the GOP, New York Governor Tom Dewey. Both Dulleses backed Dewey's bid for the presidential nomination in 1940, when the party chose Wendell Willkie, the Indiana lawyer who supported the New Deal and had expounded his views on world government in a book entitled *One World*. Dewey, no less of a liberal and internationalist, captured the nomination in 1944, but lost to Franklin Roosevelt, who was running for an unprecedented third term.





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Foster, meanwhile, was making a name for himself, speaking and writing on moral and political issues. He persuaded the Federal Council of Churches to create the Commission to Study the Bases of a Just and Durable Peace, which he used as a platform for his vision of a new world order. "He never became a full-fledged 'one worlder,'" Kinzer wrote, though it might have been a distinction without a difference. The nation-states of the world had become a "society of anarchists," Dulles claimed, insisting that "the sovereignty system is no longer consonant with either peace or justice." Americans were foolish to believe in a future security through "dependence on our strength alone," he declared, while making the case for "a kind of supranational guild" to balance the interests of all nations. It would begin with "economic and financial union, letting the political union work out of them if and when this becomes a national development." Most ironic, given his later policy pronouncements, Dulles declared that people and nations must "avoid concentrating upon the admitted evils elsewhere, slurring over the admitted evils at home and thereby becoming, in my judgment, hypocritical and un-Christian."

In 1943, he published a book called *Six Pillars of Peace* in which he ridiculed the "devil theory," which portrays a world with a "nation-hero" surrounded by "nation-villains." He scorned demagogues who "seek national unity by fomenting fear of other people," promote "a feeling that their nation is in danger," or "extol patriotism as the noblest emotion."

In the spring of 1945, the elder Dulles was part of the American delegation to the United Nations Conference in San Francisco. He had also cultivated the friendship of media mogul Henry Luce, who as publisher of *Time*, *Life*, *Forbes*, and the *The March of Time* radio newsreels controlled a substantial portion of the flow of news to the American public.

In 1948, the Republicans nominated Dewey again, confident he would win this time against Harry Truman, whom Dulles dismissed as "that shirt salesman from Kansas City." John Foster Dulles was Dewey's top advisor on foreign policy and was ghostwriting speeches for him. He fully expected to be the next secretary of state and was in Paris on election night, attending a diplomatic conference with Secretary of State George Marshall. The following morning, upon learning the news of Truman's shocking upset, a glum Dulles told an American correspondent. "You see before you, the former future Secretary of State."

"Enemy of the Reds"

The following year, he became both a future and former U.S. senator from New York. Dewey, who was still governor of New York, offered to appoint Dulles to the Senate seat vacated by Democrat Robert Wagner, who had resigned due to ill health. Dulles readily accepted and was in the Senate just four days before making his maiden speech, denouncing the Soviets as warmongers and proclaiming the United States as "a living instrument for righteousness and peace." It was a far cry from his earlier pronouncements against seeing only evil in other countries while glossing over evils at home.









Secretary of State John Foster Dulles (right) was the driving force behind the foreign policy of the Eisenhower administration. (*Photo credit: AP Images*)

His Senate career would be short-lived, as the appointment lasted only until a special election could be scheduled that fall. Dulles, the Republican nominee, found himself up against Democrat Herbert Lehman, a former New York governor. Dulles campaigned in an open car with a banner proclaiming him the "Enemy of the Reds." He charged Lehman was "pushing us down the road to socialism" and claimed "the Communists are in his corner." Lehman, citing Dulles' work for German banks and industries between the wars, branded him "a lawyer for those who built up the Nazi Party." Lehman won by 200,000 votes.

Dulles' anti-communist theme came in handy, however, when General Dwight D. Eisenhower became the likely Republican nominee for president in 1952. Dulles met with the supreme Allied commander of WWII in Paris and left him a manuscript of an article he had written for Luce's Life magazine. Called "A Policy of Boldness," it charged the Democrats with merely trying to contain communism, while Republicans would pursue the liberation of captive nations. Eisenhower struck the same note in campaign speeches, promising not to rest "until the enslaved nations of the world have in the fullness of freedom the right to choose their own path."

The Persian Plot

Eisenhower's victory brought Foster the coveted secretary of state appointment, and Allen became the nation's top spy as director of the Central Intelligence Agency. Little came of the promise to liberate captive nations dominated by the Soviet Union. There were other monsters abroad more easily slain, starting with Iran, where the holdings of the British-owned Anglo-Iranian Oil Company had been nationalized in 1951 by unanimous vote of the nation's parliament after the election of popular reformer Mohammad Mossadegh as prime minister. Oil had been discovered in Iran at the beginning of the 20th century, when the nation was at the mercy of foreign companies that controlled its post office, telegraph service, railroads, even its tobacco and caviar industries. The British had persuaded the monarch, Mozaffar al-Din Shah, to sign away the rights to Iranian oil. To Mossadegh and his countrymen, taking them back was an assertion of their nation's sovereignty and control over their own land and resources.





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Westerners saw it differently in the early days of the Cold War. Nationalization smacked of Marxism, and fears of Soviet influence in Iran were growing in Washington, where policymakers were still recovering from the shock of seeing China fall to the communists in 1949. Eisenhower declared that Iran "stands today where China did only a few years ago," and the new president was anxious to develop "some scheme or plan that will permit that oil to keep flowing to the westward." "If it weren't for the Cold War," said U.S. Ambassador to Iran George McGhee, "there's no reason why we shouldn't let the British and the Iranians fight it out."

For the Dulles brothers, the desire to overturn the Mossadegh government was motivated by the demands of cold cash, as well as the Cold War. The oil seizure was a serious blow to the J. Henry Schroder Banking Corporation, the financial agent for the Anglo-Iranian Oil Company and a client of Sullivan and Cromwell. Among its distinguished board members was the very prominent Allen Dulles. The future CIA director also had among the clients of his law practice a new company called Overseas Consultants, Inc. And OCI had rather ambitious plans for Iran. The company had submitted to the Tehran government a \$650 million development plan that would include hydroelectric plants, urban renewal, and industries brought in from overseas. The plan, Time magazine reported, offered Iran "a blueprint for economic revolution," while also providing "U.S. and western European businessmen with a guide to a vast new area of relatively untapped markets."

While the Shah of Iran had been enthusiastically for the project, Mossadegh and his allies in the party called the National Front led the opposition, fearful that the grandiose plan would bury the nation under a burden of debt. Parliament refused to appropriate the funds, effectively killing the project and the dreams of huge profits and abundant fees it would have generated for OCI and its lawyer, Allen Dulles.



Mohammad Mossadegh (center), prime minister of Iran, arrives in New York in October 1951 to make Iran's case before the UN Security Council in the Anglo-Iranian Oil conflict. Two years later Mossadegh would be deposed in a coup engineered by CIA Director Allen Dulles. (*Photo credit: AP Images*)

John Foster Dulles had another reason for wanting an end to the Mossadegh regime. During his brief time in the U.S. Senate and throughout his years as secretary of state, Dulles posed as an ardent anti-communist. As such, he held in thinly veiled contempt nations that adopted a policy of neutrality in the





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conflict between the superpowers. Mossadegh pursued a policy of neutralism by another name, calling it "negative equilibrium." Dulles saw it as a threat by any name. "Foster realized that if Mossadegh thrived, leaders of other countries might follow him toward neutralism," Kinzer wrote. "If he were to fall neutralism would seem less tempting."

Just as Iran's nuclear program has world leaders worried today, Iran's oil was described in the early 1950s as a source of regional instability, with the potential for sparking a war between nuclear-armed superpowers. "If disorders flare up in Iran as a result of nationalization," warned *Life* magazine, "the Russians may intervene, grab the oil, even unleash World War III."

Eisenhower gave his secret blessing to the plot to overthrow the Mossadegh government, so long as he could be assured it would succeed and there would be no record of his hand in it. It was led by CIA officer Kermit Roosevelt, a son of President Theodore Roosevelt. Entering the country under an assumed name, Roosevelt paid newspaper editors to publish diatribes against Mossadegh and bribed mullahs to denounce the prime minister in their sermons. He built a network of dissident military commanders and won the cooperation of the shah. Meanwhile, the U.S. secretary of state continued the campaign against Tehran in the U.S. and world press, telling reporters that "the growing activities of the illegal communist party in Iran, and toleration of those activities, has caused our government great concern."

Street gangs organized and paid by Roosevelt joined dissenting military units and, following an overnight battle in which 300 people were killed, the Mossadegh government was ousted. The shah returned to the "peacock throne" and ruled with an iron hand until his overthrow 25 years later in a revolution led by anti-Western Muslim clerics. By the time an anti-American mob surrounded and captured the U.S. embassy in Tehran in November 1979, the CIA role in the coup that overthrew Iran's parliamentary government had been both little known and long since forgotten in the United States. It had not been forgotten in Iran.

The Banana Caper

The focal point of foreign policy in the postwar years was the defense of Western Europe, and Secretary of State Dulles was not bashful about asserting an overlord's authority over his protectorate. In a phrase that became famous, he warned the French that their failure to ratify a treaty for a military alliance (in addition to NATO) called the European Defense Community could result in an "agonizing reappraisal" by the United States of its commitment to its European allies. At the same time, he warned the Soviets that aggression on their part could trigger the "massive retaliatory power" of the United States, a phrase especially ominous in the new atomic age.

But while one hand was upholding a status quo in Europe, the other was busy stirring up turmoil in various parts of the Third World. Guatemala came under the scrutiny of the U.S. foreign policy establishment when the political tide in that small Central American nation turned against the continued unrivaled dominance of United Fruit Company. The company owned more than half a million acres of the country's most fertile land, 85 percent of which remained uncultivated. A new law required large landowners to sell the uncultivated portions of their land to the government for distribution to peasant farmers. The government seized nearly 400,000 acres of United Fruit land and offered to pay in compensation \$1,185,115.70 — the amount the company claimed the land to be worth for tax purposes. The U.S. State Department demanded that United Fruit be paid 10 times that amount.





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The Dulleses were, not surprisingly, zealous defenders of the interests of United Fruit. The company was a Sullivan and Cromwell client, and the brothers were stockholders. Indeed, many in Washington had political and/or financial capital invested in the welfare of United Fruit, which they easily equated with the interests of the United States. The powerful Cabot family of Massachusetts had stock in the Boston-based company and Thomas Cabot had been the company's president. Henry Cabot Lodge, Jr., Eisenhower's ambassador to the United Nations, was known in his U.S. Senate days as "the senator from United Fruit." Other prominent Washington figures were on the company's board of directors, and Eisenhower's private secretary was married to the firm's publicity director, who produced a film called *Why the Kremlin Hates Bananas*.



United Fruit Company lost hundreds of thousands of acres it had left uncultivated in Guatemala's land reform program. The program was repealed following the U.S.-inspired coup that ousted the leftist government of Jacobo Árbenz. (*Photo credit: AP Images*)

Whatever the Kremlin's taste in fruit, its designs on Guatemala and the rest of Latin America were said to be behind nearly every word or action indicating a desire to be free of dominance by foreign corporations. When Guatemalan President Jacobo Árbenz declared it was "entirely up to Guatemala to decide what kind of democracy she should have" and demanded that outside powers treat Latin American countries as more than "objects of monopolistic investments and sources of raw materials," *Time* magazine called it "the most forthright pro-Communist declaration the President has ever uttered."

Secretary of State Dulles called a meeting of the Organization of American States, which passed a resolution declaring that "the domination or control of the political institutions of any American state by the international communist movement" would call for "appropriate action in accordance with existing treaties." According to Kinzer, Allen Dulles used Francis Cardinal Spellman, the archbishop of New York, as a conduit to Archbishop Mariano Rossell y Arellano of Guatemala. Not long after that contact was established, a pastoral letter was read in all of Guatemala's Catholic churches warning of communist influence in the nation's government and urging Catholics to "fight this gospel that threatens our religion and Guatemala."

CIA operatives eagerly spread further warnings of the communist threat to religion and patriotism in Guatemala. A team of 150 "rebels," recruited from Honduras, entered Guatemala and engaged in a





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series of skirmishes with army forces. Pilots in CIA planes, flying from bases in Honduras and Nicaragua, began bombing selected targets, including the military base in Guatemala City. After planes had been shot down and the invasion lost momentum, Allen Dulles persuaded Eisenhower to intervene with U.S. military planes. The nation's military leaders, assured that the United States was behind the attacks and that they would continue until Árbenz abdicated, issued an ultimatum to the besieged president. Árbenz resigned and found asylum in the Mexican embassy while Colonel Carlos Castillo Armas, the CIA's choice to lead the coup, was installed as the new president. His first acts included disbanding the congress and decreeing a repeal of the land law that had reduced the holdings of United Fruit.



President Kennedy fired CIA Director Allen Dulles after the failed Bay of Pigs invasion in April 1961. In November of that year, he presented Dulles with the National Security Medal at CIA headquarters in Langley, Virginia. (*Photo credit: AP Images*)

The American press left the public unaware of the covert role played by their own government, while providing highly favorable, even fawning coverage of the brothers Dulles. In their first year in office, each was the subject of a cover story in Luce's *Time* magazine. A *New York Times* reporter in Guatemala who had filed favorable stories about the nation's land reform was recalled by the *Times* publisher after Allen Dulles privately protested. "Even when Guatemala erupted in violence," wrote Kinzer, "no newspaper suggested that the United States might be involved. The phrase 'Central Intelligence Agency' had rarely appeared in print and would have been unfamiliar to most Americans."

Successes in Iran and Guatemala set the pattern for future CIA adventures. Secretary Dulles went to the 1954 Geneva conference on Vietnam, determined that the United States must reverse the victories won by the communist Viet Minh forces. Asked by a reporter if he would meet with Premier Chou En-lai of Communist China, Dulles replied, "Only if our cars collide." The Dulleses were behind covert actions against the communist government in North Vietnam, as well as Eisenhower's decision to bolster the fragile anti-communist regime in the south with billions in economic and military assistance and a small but growing contingent of U.S. military advisors.

Efforts to overthrow President Sukarno in Indonesia were unsuccessful, but the CIA, with Eisenhower's approval, participated in the coup that led to the overthrow and assassination of Patrice Lumumba in the Congo. When Allen Dulles learned of the power and penetration of aerial photography, he eagerly







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adapted it to CIA use, initiating a series of secret reconnaissance flights over the Soviet Union. When the Russians shot down the spy plane piloted by Francis Gary Powers in the spring of 1960, the U.S. cover story of a weather plane blown off course quickly and predictably evaporated when the Russians discovered and made known the type of equipment aboard the plane. Soviet leader Nikita Khrushchev was reported to have remarked that he had no idea Allen Dulles had such a keen interest in the weather. The incident was an embarrassment to the United States and sparked a crisis in U.S.-Soviet relations in the final year of the Eisenhower presidency.

Reaping the Whirlwind

John Foster Dulles resigned a few months before his death in May 1959, but his brother's reign at the CIA continued into the first year of the Kennedy administration in 1961, to Kennedy's later regret. After Fidel Castro had come to power in 1959, owing in part to withdrawal of U.S. support for Cuban dictator Fulgencio Batista, the CIA made numerous, and in some cases ludicrous, attempts to assassinate the new communist dictator. With Kennedy's ambivalent approval, the agency in April of 1961 launched its long-planned invasion of Cuba, landing a force of some 1,400 anti-Castro exiles at the Bay of Pigs. While CIA planes were used to bomb Cuban air fields, Kennedy would not aid the invasion force with U.S. military planes as Eisenhower had in Guatemala. After the rebels were routed, Kennedy fired Dulles and was reported to have said privately that he would like to "splinter the CIA in a thousand pieces and scatter it to the winds.

When the former CIA chief died in 1969, the *Washington Post* noted his "zest for the romance of cloak-and-dagger work," while remarking that the Bay of Pigs disaster "is generally considered the greatest U.S. intelligence blunder." Whether the debacle at the Bay of Pigs was due primarily to an overly optimistic assessment of what 1,400 exiles could accomplish on the island fortress or to Kennedy's decision to withhold air support, the agency would improve and expand on its capacity for "blunder" in ensuing decades, most notably in reports of Iraq's "weapons of mass destruction" leading up to the U.S.-led invasion in 2003.

The interventionist policies, both covert and overt, carried out by the Dulles brothers were but the beginning of decades of U.S.-backed coups, assassination attempts, and "black ops" activities of various types, as well as open warfare against nations that had neither attacked the United States nor demonstrated a capacity to do so. The result of such activities, especially in the Middle East, has often been retaliatory actions by terrorists, which the CIA has dubbed "blowback." A prophet of old described it in slightly different terms, in a phrase the Dulles boys, Foster and Allen, might have heard in one or more of their father's Sunday sermons: "For they have sown the wind and they shall reap the whirlwind." (Hosea 8:7)







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