

U.S. COVERT ACTIONS: THE EXPOSURE EFFECT AND THE PRESIDENT'S
POPULARITY

АҚШ ЖАСЫРЫН ІС-ӘРЕКЕТТЕРІ: ӘШКЕРЛЕУ ӘСЕРІ МЕН ПРЕЗИДЕНТТІҢ
ҚОЛДАУ ДӘРЕЖЕСІ

СКРЫТЫЕ ДЕЙСТВИЯ США: ЭФФЕКТ РАЗОБЛАЧЕНИЯ И
ПОПУЛЯРНОСТЬ ПРЕЗИДЕНТА

by

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Abstract

Does the revelation of covert actions affect a leader's popularity? The primary purpose of this study is to investigate whether such effect exists and, if yes, to determine the extent to which it has an influence on the U.S. President's popularity. This thesis consists of preliminary case classification part, from which I proceed to my qualitative studies of the matter. The case classification part consists of 16 cases of U.S. covert actions during the Cold War period. I classify my cases based on whether they have been exposed or not, as well as I look whether their exposure had an effect on the U.S. President's popularity. If there was an effect, I further differentiate them depending on their regime type. This procedure helped me to select my two in-depth case studies. I have conducted two in-depth case studies of U.S. covert actions in Chile (1970-73) and Nicaragua (1980s). Throughout the case studies, I have examined the effect of exposure on popularity in the following dimensions: media coverage, congressional investigations, presidential approval ratings, and election results. Based on the results of case studies, it is concluded that the disclosure of covert actions had a less significant effect that lasted on a temporary basis and did not have a major impact in a longer perspective. Overall, this study advances our understanding of causal mechanisms that shape the effect of covert actions' exposure in influencing a U.S. President's popularity.

Chapter 1 Introduction

The use of covert actions as a foreign policy tool takes its roots from the post-World War II period when the increasing Soviet threat in Western Hemisphere pushed Harry S. Truman to initiate “the first of a number of covert action programs intended to limit or ‘contain’ Soviet advances in Europe and elsewhere in the free world”(Daugherty 2006, 115). This was one of the first steps in implementing the action, which over the time would turn into one of the most practiced U.S. foreign policy tools during the Cold War period.

An existing body of literature examines the effect of overt foreign policies on leader’s reputation, as well as its further influence on his/her survival in the office (Kernell 1978, Bueno de Mesquita and Siverson 1995, Smith 1996, Lian and Oneal 1993). Scholarly work on foreign policies and its domestic consequences on state leaders, however, tends to neglect the importance of covert actions as a foreign policy tool, which can affect a President’s popularity level.

Leaders use various foreign policy tools in order to save their incumbent positions, which is mainly possible by allocating needed goods to their domestic audience (De Mesquita et al, 2003). Yet there are certain cases when incumbent President cannot exercise particular types of policies, as those might cause the dissatisfaction and disapproval of their domestic supporters. Considering these factors, Presidents perform some potentially controversial policy decisions secretly by choosing the quiet option of covert actions. However, covert actions also have another side, which is the exposure effect. The existing scholarship neglects to address how and when exposure happens and how the effect of exposure, if any, may vary.

In my thesis project, I am interested in analyzing the effect that the revelation of covert actions can have on a U.S. President’s popularity. Specifically, my goal is to illustrate the potential consequences of an exposed covert action, which, as I argue, has an adverse political

effect on a U.S. President's popularity. In pursuing my goal, I look at the effect of exposure on presidential popularity by examining the US history of covert actions' usage.

Therefore, the ultimate question that I address in my research is *what is the effect of covert actions' exposure on a U.S. President's popularity?* Finding answers to this question would benefit the field of knowledge in the following avenues: (1) it sheds light on both the advantages and disadvantages of covert actions' usage as a foreign policy tool, (2) as well as it provides the theoretical framework in assessing the covert actions' exposure effect on the political standing of U.S. Presidents. Overall, evaluating all these aspects of covert actions forms the main value and contribution of my study.

Before starting the examination of covert actions' various aspects, I am proposing both general and more project-oriented definitions of what I mean by using the term "covert actions". As there are various definitions of covert actions (Johnson 1989, 82), I use the following general definition of covert actions provided by Kim (2002, 63): "the attempt by a government to influence events in another state or territory without revealing its involvement". However, since I am looking at U.S. cases of exposure, I would use the following definition provided in the U.S. Congress National Security Act where covert actions are described as: "an activity or activities of the United States Government to influence political, economic, or military conditions abroad, where it is intended that the role of the United States Government will not be apparent or acknowledged publicly" (National Security Act of 1947, Sec. 503E).

The rest of the thesis is arranged as follows:

Chapter 2 discusses the literature related to the advantages and disadvantages of both overt and covert foreign policy tools. It concludes with this study's main goal and contribution. Chapter 3 outlines the theoretical framework of the project as well as introduces the hypotheses of my study. Chapter 4 describes the research design of the thesis, my case classification process,

and the way I conduct my in-depth case studies based on the outlined dimensions of analysis. Then, Chapter 5 presents the case study about America's involvement in Chile and the way it might have affected the President Nixon's popularity. Chapter 6 contains the examination of how U.S. covert actions in Nicaragua, which is more known as the Iran-contra case, could have influenced President Reagan's approval rating. Finally, Chapter 7 provides the concluding remarks about the whole project and its findings with some further implications for future research.

Chapter 2 Literature Review

In order to evaluate the effect that covert action's exposure can have on presidential popularity, it is essential to look at the general factors that have an influence on the incumbent's rating. The President's performance, hence his/her popularity, is assessed by a number of indicators that constitute the overall picture of policy decisions that had been made both on domestic and international levels. Since I consider covert actions as a foreign policy tool, comparing and contrasting both domestic and foreign policy decisions helps me to identify the extent to which the latter one has the effect on the president's popularity. Furthermore, identifying the separate effect of covert action's exposure, among the other foreign policy decisions, is the missing part of the literature that I intend to fill.

What affects the presidential popularity?

Mueller (1970) and Stimson (1976) argue that the presidential popularity eventually decreases towards the end of incumbent's term and that the effect of time as an independent variable is greater comparing to other variables. Even though Mueller (1970) admits the effect of domestic and foreign policy decisions on the presidential popularity, Stimson (1976) argues that the incumbent's popularity might be almost independent from his/her decisions in the office (Mueller 1970, 34; Stimson 1976, 18).

However, Kernell (1978) argues that the presidential popularity is more affected by real events and conditions, not by the time exclusively (Kernell 1978, 521). Kernell (1978) argues that the factors like death toll of the US soldiers in Korean and Vietnam wars, economic

performance, and big scandals like Watergate seem to affect the presidential popularity in short-term fluctuations (Kernell 1978, 518-520). Thus, let's examine the importance of both domestic and foreign policy decisions and the way it affects the presidential popularity.

The importance of domestic policy decisions

It is argued that the domestic policy issues are one of the defining factors in shaping the public voting behavior. Specifically, it is said that the economic conditions that citizens experience tend to affect their voting preferences. Fiorina (1978) supports the idea that economic performance of the country affects the voting results, but he could not accomplish to find the supporting results in her analysis (Fiorina 1978, 441). However, Nadeau and Lewis-Beck (2001) argue that economic voting is conditional on the presidential candidate. Meaning, if the presidential candidate is running for his/her second term, it is very likely that he/she would be evaluated according to the economic conditions; however, in case of a new candidate economic voting seems to have a weaker effect (Nadeau and Lewis-Beck 2001, 178).

However, Hibbs, Rivers, and Vasilatos (1982), MacKuen (1983), and Marra et al (1990) argue that both economy related policies and foreign policy decisions have a significant effect in defining the President's popularity (Hibbs, Rivers, and Vasilatos 1982, 437; MacKuen 1983, 190; Marra et al 1990, 619). Therefore, next section examines the literature on how different foreign policy decisions affect the President's popularity. After that, I consider the literature on covert actions as a foreign policy tool and the way it might affect the leader's popularity.

Overt foreign policy decisions: advantages and disadvantages

Public's supporting behavior for the President when the country is engaged in international crisis is considered as a conventional wisdom. The main advantage of this kind of foreign policy decision is that incumbents use international conflicts to increase their popularity by diverting the public attention from domestic issues (Miller, 1995). These domestic issues may vary depending on a weak economy (DeRouen, 2000) as well as the upcoming end of the term (Smith, 1996). In addition, this diversionary behavior differs over the different regime types (Miller 1999, 398-399) and perceptions that leaders have about the way they will lose the office (Goemans 2008, 772).

However, being bogged in unresolved conflicts or, even worse, losing them might lead to negative consequences for the democratic leader's popularity. Fearon (1994, 586) says that democratic countries impose more costs on their incumbents and that those costs "arise because citizens care about the international reputation of the country or leader" (Tomz 2007, 821). Thus, democracies at the face of war are more intended to shift additional pool of resources into the war, as well as they pick their opponents more cautiously comparing to their autocratic counterparts (De Mesquita et al 1999, 803-804). This behavior is mainly motivated by the high costs that democratic leaders might suffer in case of the defeat; therefore, democracies try not to lose the wars that they are engaged in. Consequently, democracies are less likely to fight other democracies. This, in turn, might explain why democracies might employ covert actions against other established or "new" democracies.

With regard to the costs of foreign policy decisions, Mueller (2005) and Gartner (2008) argue that the increasing cost of war (measured by the fatality level) negatively affects the leader's popularity. Thus, low-cost wars tend to have a less negative effect on the presidential approval. In this sense, it is important to look if such tendencies would be consistent with the usage and exposure of covert actions.

Covert actions as a foreign policy choice

As opposed to public policies, democratic leaders apply covert actions in order to decrease or even eliminate the potential audience costs (e.g. losing office, votes, seats in congress), which is useful in saving the reputation of the country in the international arena. In addition to that, democratic leaders might want to avoid being involved in or escalating the international conflict that might attract the high attention of his/her domestic audience, therefore, it would be more reasonable to use covert policy tools to influence the international issues that are at stake.

Johnson (1989) in his detailed research on the U.S. covert actions' accountability shows that public opinion about covert actions varies depending on the presence of any "contrived threats from abroad" (i.e. fear of communism); and, contrary to that, if there is no major threat or the presence of "a scandal involving the intelligence agencies" this might lead to a tighter control, as well as to higher costs of using covert actions (Johnson 1989, 103-104).

It is well known that democracies "do not use overt force against each other" (Forsythe 1992, 385). However, could they apply covert actions against each other? Forsythe (1992) analyzed the importance of target state's regime type for an initiator (U.S.) and concluded that the U.S. considered its target states as immature democracies; thus, the use of covert actions against these states is not conflicting with the democratic peace argument (Forsythe 1992, 393).

Similarly, Downes and Lilley (2010) used both democratic peace and selectorate theory assumptions in order to examine the logic behind choosing covert actions as a foreign policy tool against democratically elected governments. Their findings seem to challenge the democratic peace assumptions. On the example of Chile, authors show that the U.S. officials were informed about the fact that "Chile was bound for military dictatorship and that democratic governance would not return any time soon" (Downes and Lilley 2010, 303). This, as authors claim,

contradicts the norms argument of democratic peace, which as Reiter and Stam (2002) put it “...democracies would not use any means, overt or covert, to subvert or overthrow another democratically elected government, as such action would clearly be a violation of democratic norms” (Reiter and Stam 2002, 160 cited in Downes and Lilley 2010, 268).

Rosato (2003) explains why advanced democracies like the U.S. might use covert actions against other democratically elected governments. One potential explanation is that states often have varying perceptions about democracy and because of that, they might purposely demonize the image of the enemy (Rosato 2003, 593). This tells us how leaders, despite the democratic prospects in the target state, could change or influence the perception of the public so to make the target state look more evil in order to lower the effect of exposure on the leader.

Leaders care about the success of foreign policy decisions and it is in their interests not to go public in giving any statements or promises related to their actions on the international arena (Tomz 2007, 836). Thus, it is better to perform risky foreign policy decisions covertly rather than overtly. In this way, using covert actions as a foreign policy tool can be beneficial in terms of eliminating the risks of generating high audience costs, as well as an additional source of providing public goods in terms of security (e.g. preventing the spread of communist threat), which in turn positively influences the leader’s political standing.

However, some pitfalls might appear while using covert actions. The biggest of which is the danger of being exposed. The existing scholarly literature has not yet addressed the effect that covert action’s exposure can have on the leader’s popularity. Addressing the covert action’s exposure effect might give us answers to a question of why leaders don’t use them all the time as opposed to overt policies. Therefore, the effect of exposure on presidential popularity begs the theoretical explanation, from which it would be better evaluated. Thus, taking an attempt to fill

this gap in the scholarly research would be the ultimate goal and contribution of my thesis project.

Chapter 3 Theoretical Framework

I examine the U.S. cases of covert action's exposure and its possible effect on the U.S. incumbent President's popularity. The United States has a rich history of using covert actions as a foreign policy tool. There is also as well as there is a lot of literature and declassified documents available that details the U.S. covert actions. This makes it a good starting point in addressing the covert actions and the overall effect of exposure. In exploring US covert actions, I avoid making assumptions regarding the nature of exposure and its effect on the leaders of other countries and regimes.

In evaluating the effect of covert action's exposure, it is very crucial to be careful with the temporal factor. Meaning, in order to identify whether there was any effect on popularity, we need to know when and how the covert action was exposed. Thus, I consider only those covert actions that were exposed during the presidency of an initiator or his/her successor. The covert actions that have been exposed after the initiating incumbent's term have no effect on the popularity due to its irrelevance. However, if the covert action was exposed during the next president's term and if both the successor and initiator are members of the same party, then the revelation of a covert action can create a backlash effect that might affect the popularity of a successor. That said, let us now look at the conditions when and why a U.S. President might use covert actions as opposed to overt actions.

Why does a U.S. President use covert actions?

My unit of analysis is the U.S. President, more specifically his/her popularity rate when a covert action is exposed. A President is the main decision making actor and his/her main desire is

to remain in office and keep the popularity at an appropriate level, so the opponents or constituents would not make him/her leave the office before the end of the term. In order to preserve his/her popularity, a U.S. President, as any ruler in the world, needs to satisfy the domestic audience, specifically those who have a say in defining his/her political standing (*winning coalition* (W) and *selectorate* (S)) with a proper amount of *public* and *private goods*. The amount of private and public goods' allocation depends on the size of both S and W (De Mesquita et al 2003, 81-82).

A President may implement various policies both at the domestic and foreign level in order to provide the backers with the goods that they need. Almost every policy decision has a risk of harming a President's reputation and popularity in case of its unsuccessful outcome. We know that leaders care about their reputation and thus tend to calculate the risks of policy decisions in order to protect themselves from the possibility of a negative fallout (Tomz 2007, 832). Taking this into account, I consider a President's usage of covert actions as a foreign policy tool that s/he implements in order to provide his/her *W* and *S* with needed public and private goods.

However, before selecting the covert action option, a President faces a situation where s/he needs to make a decision of which foreign policy option – overt or covert – it is better to choose. Such decision-making procedure considers all the possible benefits and risks that might affect the overall utility of an option.

I assume that the use of covert action is important to the leader only at times when the cost of overt action is too high and, thus, the leader decides to use covert action since its cost is lower. However, if, in case of exposure, the public finds out that the cost of covert action was high (big reputational costs, high controversy, and/or high number of casualties), it is more likely that the punishment would be harsher comparing to the low-cost covert action's exposure. This assumption comes from the findings of Mueller (2005) and Gartner (2008) where they argue that

there is a negative relationship between high death toll rates and a leader's popularity. Following this logic, the effect of covert action's exposure might differ depending on its costs and hence affect the degree to which the public might punish the leader.

Overall, we can see that a leader chooses policy options regarding their overall expected utility and if the utility is positive and the benefits outweigh the costs, the incumbent tends to choose the most beneficial alternative. That said, I now focus on the consequences that the covert action's exposure might have on the leader once it has been chosen and implemented.

Benefits/advantages of covert action

The use of covert actions helps to deliver such public goods as national security, as well as private goods in the form of protecting the business interests of domestic companies located overseas. These actions include, but are not limited to, states covertly influencing the political situation in the target states in order to prevent the spread of unwanted ideologies or the implementation of undesirable reforms (Johnson 1989, 84-85). In addition, in order to protect the business interests, covert actions might be applied to influence the foreign country's domestic reforms on nationalizing the natural resources and/or putting restrictions on repatriation of profits by foreign corporations (Downes and Lilley 2010, 283).

In addition, one of the main advantages of covert actions is its secret nature. The reason for the secrecy is that most of the foreign policy tools in covert actions' arsenal are quite controversial and may give rise to public disagreement (Berkowitz and Goodman 1998, 38). That said, covert actions are used in situations where overt interventions are not acceptable or might harm a leader's political reputation both at the domestic and international level. In this regard, covert actions help to achieve political objectives without risking public disapproval. This specific trait of a covert action makes it more preferable in comparison to an overt decision, the

exercise of which is always visible and traceable. However, this is mainly related to the policy decisions that might be seen as controversial or even unacceptable by a democratic public. Thus, policy decisions that a democratic public considers as appropriate by its nature are better to be performed overtly.

Risks/disadvantages of covert action

There is always a risk of exposure, which might have its negative effect on the popularity level of the incumbent. The disclosure of covert actions can have the consequences of losing popularity or credibility. It might also lead to changes in a leader's accountability. A leader also might face consequences on the international level where other states might express their distrust to the actions of the state exercising covert actions. Domestic costs also can include Congressional hearings that might be initiated as a result of the covert action's exposure. This, in turn, might lead to major consequences like losing the majority of seats in upcoming elections or even presidential impeachment. With regard to Congressional elections, a President's opponents can use this opportunity to publicize the event and try to make it look controversial to the core values of their society. Thus, I assume that U.S. Presidents are vulnerable to their opponents' actions in publicizing exposed covert actions, which is due to the openness of the society. Faring poorly in mid-term elections can also potentially have a negative effect on a democratic leader in an upcoming presidential election in terms of decreasing the chances to be elected for a second term. In addition, this kind of consequences have a chance to affect the overall popularity of a leader's own party by making it hard to win elections in the future.

In addition, due to the system of norms and civic mindedness of the society that s/he leads, the U.S. President is constrained by norms of civic conduct. Thus, the U.S. Presidents are expected to be more careful in exercising potentially controversial foreign policies (regime

overthrow, covert arms supply, paramilitary operations, bribing officials, etc.). These restraints affect the president's calculus before using covert actions as a foreign policy tool. Yet when a covert action is initiated, a President is expected to do his/her best in order to eliminate the possibility of any negative consequences of exposure. This kind of precautions are supposed to secure the incumbent from popularity losses in case of exposure.

The danger of exposure

In evaluating the effect of exposure on a presidential popularity, it is important to define how the public reacts to such cases of exposure and how their perceptions can affect their voting behavior, which, in turn, might punish the president as a result of unsuccessful foreign policy decisions. The literature on public opinion has varying claims about how a public perceives politics and foreign policy issues. Some claim that the public blindly follows the guidance of the leader (Lipset 1966, Verba et al 1967), others argue that the public typically does not know much about political issues (Delli-Carpini & Keeter 1996, Holsti 2004 cited in Baum and Potter 2008, 43). However, I incorporate the assumption made by Aldrich et al (2006) that citizens can form their views about foreign policy issues, as well as evaluate them so that it affects their voting behavior. Thus, since the perception of the public about foreign policy issues influences their voting preferences, leaders tend to care about the electoral consequences of their foreign policy decisions. In addition, I assume that citizens care about the reputation of their country. Therefore, they care about those foreign policy issues that might affect the reputation of the country, as well as about those that could violate the norms of their democratic values (Tomz, 2007). These reasons constitute the foundation of citizens' desire to punish a President for exposed covert actions, which are contrary to their core democratic values and have a negative impact on the reputation of their country. Following this assumption, I propose the following hypothesis:

H1: Exposed covert actions are expected to have a negative effect on a U.S. President's popularity.

Regarding the issue of whom to blame and punish, I argue that the U.S. President by being a primary decision maker of United States' foreign diplomacy, as well as by being a commander-in-chief of the American forces, is held responsible for all executed covert actions. Even though there might be some cases when the U.S. President could try to deny his/her relationship and awareness of committed covert actions, I assume that such actions should still lead to a decrease in his/her popularity since the public relates most of the policy failures to the President directly. However, plausible deniability is possible if there is an indisputable evidence of an incumbent's innocence and direct testimony of someone admitting the blame for covert actions. Therefore, a U.S. President takes full responsibility as the chief executive.

However, the effect of covert actions' exposure might be different if there is a visible difference between the regime types of initiator and target states. This comes from an intuition that civic mindedness and the values of democratic norms in the society, influences the public's perception about other states abroad. As Rosato (2003) says: "...nondemocracies are neither trusted nor respected" mainly because "their domestic systems are considered unjust" (Rosato 2003, 586). Thus, I assume that democratic states are well trusted and respected by other democracies, which leads to my assumption that the overall reaction of the U.S. public to a controversial foreign policy decision (e.g. paramilitary operations, regime overthrow, etc.) is going to be more negative if the target country is a democratic one. Therefore, I propose the following hypothesis:

H2: The negative effect of an exposed covert action on a U.S. President's popularity is expected to be greater if the target state is a democracy.

I test my hypotheses by categorizing the cases of U.S. covert actions conducted during the period from 1949 to 1990. By analyzing their exposure (if any) and evaluating the possible effects, I seek to test whether my hypotheses have any support among my cases. Then, I conduct two in-depth case studies of exposed U.S. covert actions against democratic and non-democratic states in order to see whether the effect of exposure differs depending on the target state's regime type. Evaluating these hypotheses should give us new insights into how the exposure of covert actions might affect a U.S. President's popularity, which is the primary goal of my thesis project.

Chapter 4 Research Design

Case Classification

The absence of any large-N data on the U.S. covert actions makes it hard to conduct any statistical research on this matter. Thus, due to the data limitations and small sample size, I classify my cases according to whether they have been exposed or not, regime type, and the effect on presidential popularity.

In order to test my hypotheses, I consider 16 cases of U.S. covert actions (see Appendix 1 for the full list of cases) towards other states (Berger et al, 2013). The reason for choosing the U.S. as the country of my analysis is the fact that I am interested in the effect of covert actions' exposure on democratic leaders. Being one of the oldest and most developed democracies of the world as well as its long history of practicing covert actions as a foreign policy tool makes the U.S. a perfect match for this study.

I look at the covert actions that have been initiated by the United States during the period of 1949-1990. This particular time framework is chosen because most of the U.S. covert actions that we know about have been performed during the Cold War period. Thus, more information and declassified documents related to the operations are accessible to the public, which benefits the project in terms of collecting information.

To address my first hypothesis, I first look at the date of exposure and the way it might have affected the initiator leader. If the covert action was exposed after the initiator president's term, I have eliminated it from the list of cases. After classifying the cases according to this criterion, out of the initial 16, I had 13 cases left that were exposed while the initiator leader was in office. In order to evaluate the time of exposure, I refer to the *New York Times* articles that

reveal the U.S. covert actions against another state. In doing so, I look at the date of news' publication and see whether it was followed by a drop in presidential approval ratings thereafter. The *New York Times* articles are accessed through the online subscription to its archive. I do not know for sure whether the *New York Times* articles were the first to reveal the use of covert actions, however, since it is the biggest U.S. newspaper with a high circulation rate, I consider it as a relevant source of exposure.

If the exposed covert action was led by at least a 5% drop in presidential approval ratings, then I consider such case as one that had an effect on the incumbent leader's popularity. Those covert action exposures that were followed by a lesser decrease in presidential approval are considered to have an insignificant effect. I use the data from "The American Presidency Project" website (Wooley and Peters, 1999-2016) to look at the changes in presidential approval ratings.

The difference or similarity between the initiator and target state's regime type, as I assume, should have an influence on the effect of covert action's exposure. Thus, in order to evaluate my second hypothesis, I classify my cases according to regime type as democratic or non-democratic, then see whether the exposure of covert actions against the democratic states was followed by a drop in popularity and look whether the drop is more significant in comparison to non-democratic states. To identify the regime type of target states, I use the polity2 variable taken from the Polity IV dataset (Marshall and Jaggers 2014). In order to be classified as a democratic state, the target state's polity2 score should be equal or higher than 6.0 points. However, if the score is less than 6.0 points, the target state is considered as a non-democracy.

Classifying my cases in this manner helps me to get the overall picture of U.S. covert actions and to see whether it had an effect on presidential popularity or not. It also helps me to select the cases for my in-depth case study analysis. My next section discusses the outcome of my case classification process.

Table 1. The U.S. Cases of Covert Actions, 1949-1986*

Country	Exposure	President Initiator	Covert action initiated (year)	Polity2 score before covert action [year]	Polity2 score after covert action [year]	time of exposure	Drop in approval rating	Democratic Regime
Afghanistan	yes	Carter	1979	0 [1978]	no info [1980]	May 1980	6%	no
Angola	yes	Ford	1975	-7 [1975]	-7 [1976]	Dec 12 1975	6%	no
Brazil	yes	Johnson	1964	3 [1963]	-9 [1965]	April 1964	1%	no
Chile	yes	Nixon	1970	6 [1969]	6 [1971]	March 1973	10%	yes
Cuba	yes	Kennedy	1961	-4 [1960]	-7 [1962]	April 1961	6%	no
Dem. Rep. Congo*	no	Eisenhower	1960	0 [1960]	0 [1961]	August 1964	-	no
Dominican Republic	yes	Kennedy	1961	-9[1960]	8 [1962]	September 1962	2%	no
Guatemala	yes	Eisenhower	1954	2 [1953]	-6 [1955]	June 1954	3%	no
Indonesia	yes	Eisenhower	1958	-1 [1957]	-5 [1959]	May 1958	1%	no
Iran	yes	Eisenhower	1953	-1 [1952]	-7 [1954]	August 1953	13%	no
Iraq*	no	Eisenhower	1960	-5 [1959]	-5 [1961]	November 1975	-	no
Nicaragua	yes	Reagan	1981	0 [1980]	-5 [1982]	November 1986	17%	no
Poland*	no	Carter	1980	-7 [1979]	-8 [1981]	January 1982	-	no
South Vietnam	yes	Kennedy	1963	-3 [1962]	-3 [1964]	September 1963	2%	no
Syria	yes	Truman	1949	5 [1948]	2 [1950]	March 1949	6%	yes
Turkey	yes	Carter	1980	9 [1979]	-5 [1981]	September 1980	6%	yes

Source: Berger et al (2013).

*The cases of Congo, Iraq, and Poland are excluded from the analysis since they have been exposed after the initiating president's term.

Case Classification Results

After conducting the classification process, I discarded three cases that have been exposed after the initiator president's term, which are Congo, Iraq, and Poland. Thus, I am left with overall 13 cases of U.S. covert action exposure (see Table 1). The table above gives an overview of my cases with the list of initiator presidents and the dates of covert action's initiation and exposure, as well as it shows the polity2 scores before and after each covert action. The time of exposure is evaluated from the dates when the *New York Times*' revealing articles had been published. Since some of the covert actions caused the regime change, I consider the polity2 score before the year covert action was initiated in order to indicate the regime type of the target state. In addition, I provide the polity2 score of the year after the covert action in order to illustrate whether there were any changes in the target state's regime type. After evaluating the collected data, I divide my cases according to the fact of exposure and the effect it had on the presidential approval rating (see Table 2). As a result, I have separated eight cases out of thirteen that were exposed and followed by a decrease in presidential popularity. This, in turn, supports my first hypothesis, which states that the covert action's exposure should have a negative effect on a U.S. President.

Table 2. Exposed/Unexposed U.S. Covert Actions

	Exposure	No Exposure
Effect on Popularity	Afghanistan, Angola, Chile, Cuba, Iran, Nicaragua, Syria, Turkey.	0
	Overall: 8	
No Effect	Brazil, Dominican Republic, Guatemala, Indonesia, South Vietnam.	Iraq, Congo, Poland.
	Overall: 5	Overall: 3

Among these 13 cases of exposed covert actions, I now look whether the exposure of covert actions against the democratic target states had an effect on a presidential popularity. There are only three democratic target states among my cases and all of them were followed by a decrease in presidential approval ratings (see Table 1 and Table 3). Moreover, all three cases led to more than 5% fall in presidential popularity. On the other hand, I have an even split among the non-democratic states, five of which had an effect when the other five did not have any effect on popularity ratings.

Classifying my cases into tables was beneficial in terms of selecting my in-depth case studies. I choose one case of US covert action against a non-democratic state, which is Nicaragua and the other one against a democratic state, which is Chile. Both of the cases had been exposed and were followed by a drop in presidential approval ratings. Next section gives a more detailed justification for these case study selections.

Table 3. Democratic/Non-democratic Target States

	Democratic	Non-democratic
Effect on Popularity	Chile, Syria, Turkey. Overall: 3	Afghanistan, Angola, Cuba, Iran, Nicaragua. Overall: 5
No Effect	0	Brazil, Dominican Republic, Guatemala, Indonesia, South Vietnam. Overall: 5

Case Studies

One of the limitations of my preliminary analysis is the absence of any large-N data related to the covert actions, which makes it difficult to derive any statistically strong results. To deal with this issue and with the goal of properly addressing my research question, through focusing on the in-depth analysis of causal mechanisms of covert action's exposure that affects the U.S.

President's popularity, I have decided to apply a case study method, which is essential in deriving conclusions that could be used on a larger set of units.

I conduct two in-depth case studies of U.S. covert actions against one democratic and non-democratic states: Chile 1970-73 and Nicaragua 1980s (Winn 2005, 140). The fact that both of these countries have differing regime types gives us an opportunity to examine whether there would be a varying effect of exposure on the presidential popularity. I am also picking up these cases because of the fact that they are chronologically separated by the Church Committee's investigation, which happened in 1975.

The Church Committee changed the basis of the C.I.A.'s and other executive officials' accountability in conducting covert actions. (Johnson 1989, 90). As well as the Intelligence Accountability Act, passed in 1980, is believed to be the most "important formal measure taken by the Congress to tighten its control over intelligence operations" (Johnson 1989, 92). Thus, selecting these particular cases gives an opportunity to examine the presence of compliance, if any, from the side of the U.S. intelligence services as well as executive branch officials. A tighter control over covert actions increases the consequences of misbehavior, which, consequently, affects the President's actions in preventing the exposure.

In order to trace the causal mechanisms of each case's exposure effect, I examine my case studies in the following dimensions: (i) background of the covert actions, (ii) executed covert actions, (iii) exposure and its effect on the popularity of the President. Specifically, I focus on the exposure and its effect, as it constitutes the main interest to me. The effect of exposure on a U.S. President's popularity is examined through: (1) the extent to which the exposure was covered in the media, (2) the impact of congressional investigations, (3) presidential approval ratings evaluated through public opinion polls, and (4) election results subsequent to covert action's

exposure. By identifying the causal mechanisms of each case, I will be able to find some valuable insights that shed light on the effect of the exposure and the way it affects a U.S. President.

While examining my case studies, I analyze primary sources consisting of declassified C.I.A. documents posted on the George Washington University's National Security Archive website, secondary sources like scholarly and newspaper articles, various books, as well as the *New York Times* newspaper articles. Particularly, analyzing the newspaper articles is helpful in terms of evaluating the media coverage and the way the issue was publicized among the public.

Chapter 5 U.S. Covert Action in Chile, 1970-1973

Introduction

The Cold War period of the American history is rich with its various interventions to the affairs of foreign states all around the world. The overwhelming majority of those states were nondemocracies with the regimes that have been either inconvenient for U.S. businesses or geopolitical interests. In most of the cases, these interests used to intervene with each other. However, it is rare to find a state that had a democratically elected government, but still was perceived as a threat to the U.S. economic or political interests. In this sense, the U.S. intervention in Chile throughout 1960-1970s remains as one of the starkest examples of its kind. As Goldberg (1975) mentions, Chile could be considered as a country with one of the most developed civic institutions in the Third World at the time (Goldberg 1975, 94). Despite this fact, the Chilean government was considered as a threat to U.S. business and geopolitical interests.

Although the background and events of the U.S. involvement in Chile are well studied and analyzed, however, the existing scholarship remains silent on the way it affected the popularity of the U.S. president at that time. Thus, in my attempt to fill this gap, I use this case study to test my hypotheses in terms of investigating how the exposure of covert action affected the popularity of the American leader. Thus, this case study is intended to answer the following question: *what effect did the exposure of the U.S. involvement in Chile have on the popularity of the American president?*

The case study proceeds as follows: after analyzing the debate whether the U.S. was involved in Allende's overthrow or not, the case of Chile is examined in the following three dimensions: (i) background of the covert intervention, (ii) variety of implemented covert actions,

(iii) and the central focus of the paper is on the exposure and its effect on the popularity of a U.S. President.

Background of a Covert Action

For many years, Latin America was considered as a “backyard” to U.S. foreign policy interests. The U.S. Government treated this sphere of influence very jealously and always tried to make its interests secure in this area. The history of U.S. involvement in Chile goes back to the 1960s, when both Kennedy and Johnson supported the candidacy of Frei in the Chilean presidential race (Winn 2005, 139; Qureshi 2006, 40). The main reason for this support was preventing Frei’s main counterpart – Salvador Allende – from becoming president, whose victory would lead to the nationalization of the Chilean economy (Qureshi 2006, 40). Consequently, this put in danger business revenues of such U.S. companies like the International Telephone and Telegraph Company (ITT), Pepsico, Kennecott, and the Anaconda Company, which had been one of the major players in Chilean economy (Sigmund 1974, 323; Brosche 1974, 12).

The fear of the U.S. companies have grown stronger when Allende rallied for a new election in the 1970s. These fears also added to the U.S. officials’ concern about Allende’s Marxist-socialist platform, as well as his connections with Cuba and the USSR (Fagen 1975, 298; Qureshi 2006, 44). At this time U.S. involvement in preventing Allende from being elected was obvious, however, covert participation in organizing and/or assisting the 1973 coup remains a subject of scholarly debate.

Did the U.S. have any role in the 1973 coup?

In his review of Gustafson’s (2007) book, Shiraz (2011) highlights the disputable claims of the author that denies the participation of the CIA in the 1973 military coup (Shiraz 2011, 606).

Shiraz mentions the author's assertions that "the CIA had reduced its contacts with the military plotters and was instead expanding the preexisting links within the increasingly marginalized Christian Democratic Party" (Shiraz 2011, 606). More controversially, in his (2005) article, Gustafson claims that "not only did the U.S. not help in the Chilean coup, but they also barely knew it was coming" (Gustafson 2005, 77). This, obviously, doesn't meet the reality of the situation where the US had a major intelligence presence.

Sigmund (1974), relying on the results of the McGee committee investigations, rejects any assumptions about a U.S. covert intervention in Chile (Sigmund 1974, 321). However, he admits that U.S. business owners were concerned over the fact that the election of Allende would have a negative effect on their businesses in Chile, which it subsequently did (Sigmund 1974, 323). Overall, the CIA, as a former CIA officer in Santiago describes it, was not involved in the military coup of 1973, though he admits the fact that the CIA helped to initiate the unsuccessful coup attempt of October 1970, in which the commander in chief of the Chilean army – General Schneider – was killed (Devine 2014, 26-28).

However, there are scholars that argue that U.S. involvement in the 1970 elections to prevent Allende from taking the presidential office have played its crucial role in setting the scene for the coup of 1973 (Johnson 1989, Forsythe 1992, Kornbluh 1999). As such, Forsythe (1992) mentions the attempts of the U.S. Government to "bribe the Chilean Congress to block Allende's election, to fund truckers in their disruptive strikes" (Forsythe 1992, 389). Kornbluh (1999) shares other interesting insights related to the 1970 elections, where the U.S. Ambassador to Chile – Edward Korry – tried to persuade former President Frei to annul the results of the elections. In doing so, he encouraged him to run for re-election, in which the CIA was ready to mobilize a propaganda campaign to support his candidacy (Kornbluh 1999, 38).

All these claims are also supported by a declassified CIA report, which talks about the establishment of a Chilean Task Force, “headed by highly-qualified CIA officers recalled from their posts” to prevent the Marxist Allende from becoming the Chilean president (Kornbluh 2011, 2-3).

After evaluating both sides of the argument, we see that the U.S. had not have executed the 1973 Chilean coup. It was the Chilean senior military officers who have plotted the coup. The reason for that was the fear to lose their possession of power in the Chilean society, which was threatened by younger officers’ intentions to plot a coup. Thus, in order to save their positions, they decided to initiate a coup ahead of young officers (Devine 2014, 32). Nevertheless, the U.S. had been involved in different covert actions prior and during the 1970 Presidential elections in Chile, which “had helped to create a climate for the coup without tainting the effort by becoming directly involved” (Devine 2014, 33). That said, let us take a closer look at U.S. covert actions in Chile and the way their disclosure affected the popularity of an American leader.

Executed Covert Actions

The case of Chile is prominent in a sense that it is rich with various covert action tools. Those tools vary from basic propaganda campaigns to economic and paramilitary operations devoted to influencing the Chilean citizens as well as influential policymakers. Overall, from 1964 to 1970, the CIA has spent about “\$2 million on 12 covert action projects in Chile” (U.S. Congress. Senate 1975a,12). In this section, I briefly analyze the various covert actions that were used to distance Allende from the presidential office.

Political and economic actions:

In 1965, The 303 Committee approved \$175,000 towards supporting the CIA selected candidates in congressional campaigns against the Socialist-Marxist party of Allende and another project that “helped train and organize anti-Communists among peasants and slum dwellers” (U.S. Congress. Senate 1975a, 12).

There is also a declassified CIA report (Kornbluh 2011), which gives an assessment of the situation in Chile prior to Allende’s victory in 1970 elections. The report considers various action initiatives that could have been applied to prevent Allende from taking the office (Kornbluh 2011, 11-16). One of them is a “political action” that was intended “to induce President Frei to prevent Allende’s election by Congress”, meaning, to make Frei influence the members of the Chilean Congress to oppose Allende (Kornbluh 2011, 11).

All these political covert actions were also accompanied by the policies that have been implemented in order to destabilize the Chilean economy. In June of 1971, the Chilean Congress passed a bill that unanimously approved the nationalization of the American-owned copper mines (Goldberg 1975, 108). As a counter response, the U.S. government announced its opposition to multilateral loans; U.S. commercial banks decreased the amount of short-term credits to Chile, and the amount of U.S. exports to Chile dropped more than half (Brosche 1974, 12; Goldberg 1975, 108-109).

Propaganda campaign

In order to support the Christian Democratic Party and specifically Frei’s presidential candidacy in the 1964 elections, the CIA applied a wide array of propaganda tools as radio broadcasts, posters, and news in the press, which were aimed to discourage the local population from casting the Marxist ballot (Qureshi 2006, 61). This campaign was addressed to scare people,

mainly women, by creating an evil communist image of Allende among the citizenry (U.S. Congress. Senate 1975a,11).

U.S. officials' tactics for the 1970 elections were different from the previous campaign. For this time, the 303 Committee decided to focus only on spoiling and anti-Allende propaganda, rather than supporting any particular candidates or parties (U.S. Congress. Senate 1975a, 12). However, the 1970 campaign was not as successful as the previous 1964 operation with regard to affecting the citizens' voting preferences (U.S. Congress. Senate 1975a, 13).

Military actions

The U.S. efforts to assist in coup in Chile go back to the 1970s pre-election era, at the time when U.S. officials (especially Kissinger) started to worry about the possibility of Allende winning the presidential office. Those worries are explicitly stated in Kissinger's (November 5, 1970) memorandum for President Nixon, where he outlines the issue and the possible ways to deal with it (Kornbluh 2013, 3-6). One of the major examples of U.S. military involvement is that it assisted local militaries in kidnapping the Commander in Chief of the Chilean army – General Schneider (U.S. Congress. Senate 1975a, 14; Winn 2005, 143). In addition, U.S. officials helped Pinochet to take power and eventually “viewed General Augusto Pinochet as a potential leader” (Qureshi 2006, 150). As a consequence of these actions, the democratically elected President Allende was overthrown in a military coup in September 1973. The political scene of Chile had been dominated by a junta, which was led by a notorious General Pinochet. This, as we now know, resulted in one of the bloodiest episodes in Chilean history.

Exposure and the popularity of the President

This section examines the effect that the exposure of the U.S. involvement had on the American President's popularity. In order to investigate the effect of exposure on the U.S. President, this section focuses on the following dimensions: (i) media coverage of U.S. involvement in Chile, (ii) subsequent Congressional investigations regarding the covert actions in Chile, (iii) evaluation of public opinion polls, (iv) and the results of both presidential and mid-term elections. Evaluating all these dimensions help to assess the reputational and political damage (if any) that the exposure of covert actions might have had on President Nixon.

Media coverage

The possibility of U.S. involvement in Chile started to be questioned in the media starting in March 1972. It all started from Jack Anderson's revelation of the I.T.T.'s secret documents and memorandums that indicated the cooperation between the I.T.T., Nixon administration, and the C.I.A. in preventing Salvador Allende from winning the presidential elections (New York Times, 1972a). The papers mentioned in Anderson's column "were said to have been exchanged among I.T.T. officials between the time of election on Sept. 4, 1970 and Dr. Allende's inauguration in November" (New York Times, 1972b). However, both I.T.T. and Nixon administration rejected any moves between the parties "to block Dr. Allende from the Chilean Presidency" (New York Times, 1972b; Szulc, 1972).

Consequently, the *New York Times* reported that in order to check these assertions, the U.S. Senate Foreign Relations Committee decided to launch an inquiry of the I.T.T and other U.S. companies' influence on America's foreign policy, especially, the I.T.T.'s attempts in persuading the U.S. Government to oust Salvador Allende from the Chilean presidential race (Finney, 1972). Despite of news publications and the Senate inquiries, American public seemed to be silent and

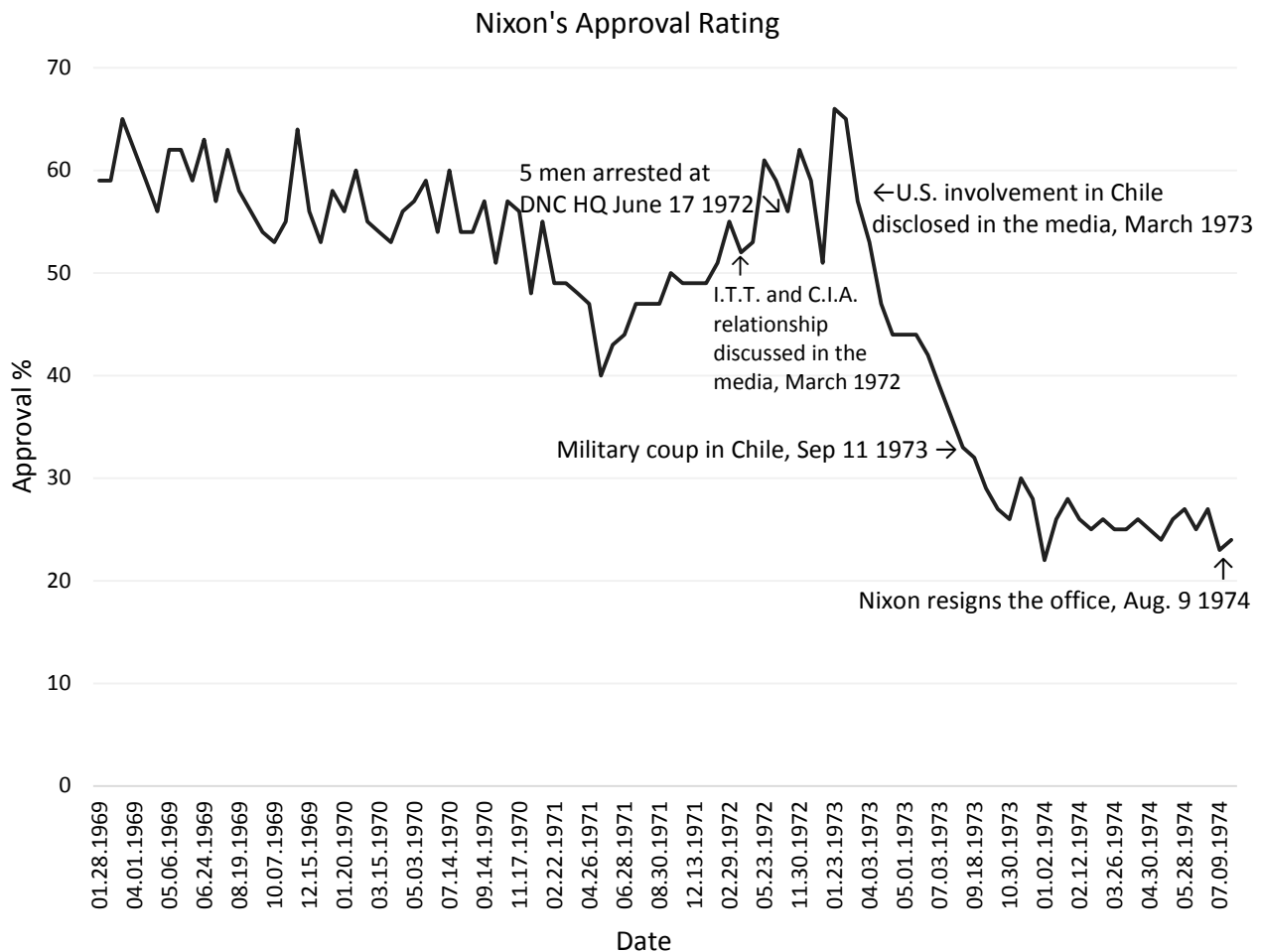
there was no drop in Nixon's popularity. President Nixon's approval ratings did not change at all during the March-April period of 1972. In fact, it increased from 53% in April to 61% in May 1972 (see Figure 1 below, Wooley and Peters, 1999-2016). This potentially could be explained by the absence of any direct connections to Nixon and/or by the fact that no one admitted the allegations proposed by Anderson.

The investigation reported by the *New York Times* started in March of 1973. The Senate Subcommittee on Multinational Corporations have met with the I.T.T. officers on March 16 1973 and gave their testimonies regarding the company's relationship with the U.S. Government in plotting against Salvador Allende (Naughton, 1973). A former I.T.T.'s vice president, William Merriam, who was a head of the company's Washington office, testified that a top ranking C.I.A. officer "agreed with the recommendation that corporation made to try to prevent the election of Salvador Allende..." (Shanahan, 1973a). The mentioned C.I.A. official was William Broe who was the director of the agency's clandestine activities in Latin America.

In addition, the *New York Times* announced that other I.T.T. officials testified about a \$1-million offer to the C.I.A., a purpose of which, however, raised a concern due to the discrepancy in company officials' testimony (Shanahan, 1973b). The I.T.T. director, John McCone, testified that at the very beginning the sum was offered for "constructive purposes, such as low-cost housing", however, after it was known that the Chilean Congress would vote to choose the president of 1970 election, the money was decided "to finance anti-Allende coalition in the Chilean Congress" (Shanahan, 1973b). Contrary to that, Edward Gerrity – the I.T.T. senior vice president for corporate relations – insisted that the money was intended to be used only in "constructive" purposes. However, as subcommittee sources said, Broe's testimony indicated that the \$1-million sum was planned to apply "covert means to prevent the election of Dr. Allende" (Shanahan, 1973b).

The disclosure of news that reported the direct relationship between the I.T.T. and C.I.A. were followed by a 10% drop in presidential approval ratings during the March-April period of 1973. The presidential approval rating went down from 57% in March 27, to 47% in April 24 (see Figure 1).

Figure 1. Presidential Job Approval Rating of Richard Nixon, 1969-1974.



Source: “The American Presidency Project” Website (Wooley and Peters, 1999-2016)

Another wave of exposures in the media occurred in September of 1974 at the very beginning of newly nominated President Ford’s term. The *New York Times* reported that the C.I.A. director, William Colby, in his April 1974 testimony to the U.S. House Foreign Affairs

Committee, has stated that more than \$8-million were authorized by President Nixon for covert actions in Chile during the period of 1970-1973 to displace Allende from power (Hersh 1974a, 1). Moreover, Mr. Colby testified that \$5-million “was authorized by the 40 Committee for more ‘destabilization’ efforts in 1971, 1972 and 1973” right after Allende’s election in 1970 (Hersh 1974a, 26). This, in turn, highlights the direct involvement of Nixon’s National Security Advisor Dr. Kissinger who was the chair of the 40 Committee. As a result of this disclosure, the *New York Times* reported that Representative Michael Harrington urged the U.S. House Foreign Affairs Committee to initiate a “full-scale public hearings into the Central Intelligence Agency’s clandestine operations against the Government of President Salvador Allende Gossens of Chile” (Hersh, 1974b).

Consequently, on September 17 the *New York Times* reported, relying on highly reliable Congressional sources, that the U.S. Senate Foreign Relations subcommittee “has recommended that contempt of Congress charges be placed against Richard Helms, former director of Central Intelligence, and three retired Nixon Administration officials” (Hersh, 1974c). The main reason for the charges to be placed is the concern that the officials might have “committed perjury in testimony before the Subcommittee on Multinational Corporations in the spring of 1973” (Hersh, 1974c).

Despite the large scale and media coverage, all these revelations happened right after President Ford pardoning President Nixon subsequent of his resignation, which, as the *New York Times* report shows, cost him 21% drop in popularity (*New York Times*, 1974). These results are pretty much the same with the ones presented on the Figure 2, which shows that President Ford’s popularity went down starting from 70% in August to 49% by the end of September of 1974 (Figure 2, Wooley and Peters, 1999-2016). In addition to that, a special poll “taken for the *New York Times* immediately after the pardon” indicated that 62% of people disapproved the decision

(*New York Times* 1974). Thus, it makes it difficult to link the approval drop with the news related to the U.S. involvement in Chile.

Overall, during the period of January 1, 1972-December 31, 1976 there were 255 articles published in the *New York Times* newspaper related to the C.I.A. and Chile. Compare that with 7298 articles that had been published in the same newspaper during the period of June 1, 1972 and December 31, 1976, which were related to the Watergate affair. The Watergate news record clearly exceeds that of Chile. Therefore, since the mass media attention of that year was primarily focused on the Watergate scandal, it is hard to differentiate the effect of the news related to the Chilean covert actions. In this regard, it could be more helpful to look at the congressional investigations, opinion polls, as well as the election results in order to see if there was any effect at all.

Congressional investigations

After the publication of revealing articles in September 1974, the *New York Times* reported that the U.S. Senate had authorized the investigation of the U.S. intelligence services. The authorized committee was named after its chairman Senator Frank Church (Rosenbaum 1975).

The investigation results brought up many insights into U.S. covert actions in Chile during the period of 1963-1973. As Chairman Church mentioned in his opening statement “the nature and extent of the American role in the overthrow of a democratically-elected Chilean Government are matters for deep and continuing public concern” (U.S. Congress. Senate 1975a, 1). According to this statement, we can see that the Church Committee viewed the Chilean Government (i.e. Allende) as democratically elected and the fact of covert actions being executed towards such state raises the public concern in the American society. The Church Committee investigations’ main goal was to identify the extent to which covert actions “should be employed

in the future, and, if so, in what situations and under what restrictions and controls” (U.S. Congress. Senate 1975a, 3).

During the Congressional Hearings, it was reported that U.S. Government has spent about \$14-million in total for various covert action programs in Chile (U.S. Congress. Senate 1975a, 10). Notably, the spending intensified after Allende’s victory in 1970 elections. During the period of 1970-73, the 40 Committee “authorized a total of \$8.8 million for the C.I.A. covert activities in Chile. Of this amount, 6.5 million was spent” (U.S. Congress. Senate 1975a, 189). However, after the 1973 coup, most of the C.I.A. projects were terminated and the funding for covert actions in Chile was cut back sharply (U.S. Congress. Senate. 1975b, 40). In addition, as the Committee’s Staff Report indicates, C.I.A. activities after the coup were directed towards assisting the Junta in order to create its positive image both internally and externally, as well as helping them in implementing new economic policies (U.S. Congress. Senate. 1975b, 40). Overall, report states that the U.S. Congress “received some kind of briefing (sometimes before, sometimes after the fact) on projects totaling about 7.1 million dollars” (U.S. Congress. Senate. 1975b, 50). This sum is a little more than 50% of all the spending that U.S. Government authorized on covert actions in Chile between 1963 and 1974. These facts show us the absence of C.I.A.’s consultations with U.S. Congress as well as Congress’ inadequate exercise of its oversight functions.

Based on this, the Church Committee concluded that the revelation of U.S. covert actions in Chile was harmful in a sense that “the United States was seen, by its covert actions, to have contradicted not only its official declarations but its treaty commitments and principles of long standing” (U.S. Congress. Senate. 1975b, 54). In addition, the damaged American ideals about “relations among nations and of constitutional government” represented more important costs as

a consequence of exposed covert actions (U.S. Congress. Senate. 1975b, 55). Overall, the Church Committee evaluated that covert actions should be applied to “only to counter severe threats to the national security of the United States”, which was not the case regarding Chile as they have concluded (U.S. Congress. Senate. 1975b, 56).

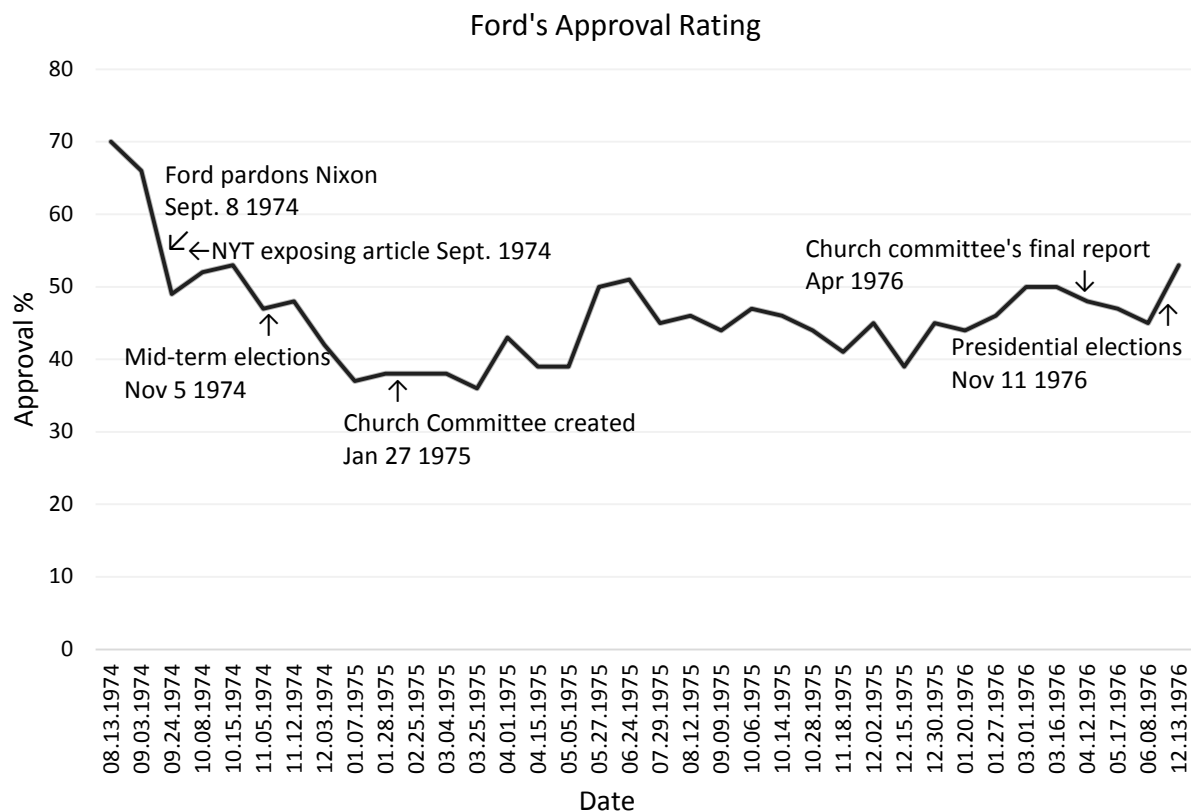
Despite the huge amount of time and effort that the Church Committee put into the investigation, the final report was published in 1976, at the time when President Nixon had already resigned from the office and was replaced by his VP – Gerald Ford. In this regard, it is impossible to trace the effect of this investigation on the popularity of Nixon during his presidency. Thus, it is suggested to look at the presidential approval ratings of President Ford starting from the beginning of the investigations, which started on January 27, 1975. If there was any effect of the Congressional investigations, they should have affected Nixon’s peer Republican successor – Gerald Ford. This comes from the notion that “voters with low opinions of the incumbent president vent their anger by voting against his fellow partisans...” (Gronke, Koch, and Wilson 2003, 785). Therefore, I look at the presidential approval ratings of President Ford in order to check the presence of any exposure effect.

Public opinion polls

President Ford started his job with a 70% approval rating in August of 1974, which, as it was mentioned above, went down because of him pardoning President Nixon (*New York Times*, 1974). By the end of the year, his approval rating went down to 42% (see Figure 2 below, Wooley and Peters, 1999-2016). Even though the influence of the Watergate started to lessen, the beginning of congressional investigations in January 1975 seems to have decreased his approval ratings a bit. From the beginning of the investigations, with all U.S. officials’ testimonies being

publicized in press (*New York Times*, 1975a; *New York Times*, 1975b), President Ford's approval ratings went down to 36% in March and only in April there was an increase to 43% (see Figure 2).

Figure 2. Presidential Job Approval Rating of Gerald Ford, 1974-1976.



Source: "The American Presidency Project" Website (Wooley and Peters, 1999-2016).

However, in April of 1976, when the Church Committee's final report was released, President Ford's approval rating was up to 48% and increased to 53% by the end of his term in December (see Figure 2). Despite of the *New York Times* reporter calling U.S. involvement in Chile as "the Watergate of United States foreign policy" (Winn, 1976), increasing approval ratings show that the effect of the congressional investigations and the revelations around it could

have only temporarily, if at all, affected President Ford's popularity. Moreover, the biggest drop in his popularity happened at the very beginning of his presidency when he pardoned Nixon. Again, the strong impact of the Watergate scandal is undeniable here. Now, let's see if the same tendency holds for the presidential and mid-term elections in terms of affecting the distribution of the Republican Party's seats in Congress.

Election results

The number of seats won or lost during the elections in both the U.S. Congress and the U.S. Senate could be used as an indicator of the popularity of the President's party or the President himself (Cover, 1986; Marra and Ostrom, 1989). The mid-term elections of 1974 could be described as a major loss for the Republican Party. As the results show, the Republican Party, led by President Ford, lost 48 seats in the House of Representatives and 5 seats in the U.S. Senate (Wooley and Peters, 1999-2015). However, it is worthy to note that in the 1970 mid-term elections, President Nixon lost only 12 seats in the U.S. House and gained 2 seats in the U.S. Senate (Wooley and Peters, 1999-2015). The Republican Party's major losses could be explained by President Ford's controversial pardon of his predecessor – Nixon. The reason for this is that the public tends to punish members of Congress during elections if they had been supportive towards the President's agenda that runs counter to the public's preferences (Gronke, Koch, and Wilson 2003, 806-807). In this case, the Watergate scandal caused a lot of irritation and controversy among the people, which is why Ford's pardon was perceived very negatively. Consequently, it affected America's voting preferences during the mid-term and presidential elections.

The effect of the Watergate scandal

The Presidential elections of 1976, as it would have been expected, brought the Democratic Party and its presidential candidate – Jimmy Carter – to power. Republicans' loss in the midterm elections of 1974 left no chances for them to hope for any rehabilitation. The reputational damage of the Watergate scandal destroyed the foundations of public trust in both Nixon and Ford. This, in turn, led to the disgrace of the Republican Party.

Both the presidential and mid-term elections sum up the overall effect of the Watergate scandal. The Watergate scandal had a far more considerable effect on the popularity of Presidents Nixon and Ford. This was mainly due to the massive media coverage of the Watergate scandal, which makes it hard to underestimate its effect on public opinion. Within the period of one month, as a result of “an aggressive media strategy” of the Select Committee’s chief counsel – Samuel Dash, almost 97% of Americans had heard about the scandal, among which 67% believed that President Nixon was engaged in the scandal (Senate Select Committee on Presidential Campaign Activities). Such a huge coverage in all the media resources played its decisive role in defining the mood among the public. Therefore, it is not surprising that the effect of U.S. involvement in Chile was lost in the shadows of the roaring Watergate scandal.

Conclusions

After trying to evaluate the effect of exposure through all the above-identified dimensions, it is clear that the revelation of U.S. involvement in Chile was paralleled with the Watergate affair and thus had an insignificant effect on the popularity of the U.S. president. Though, it does not mean that the Chile case is not important or that it did not have any effect. As it was stated in the Church Committee’s Staff Report, the exposure of U.S. covert involvement in Chile discredited the image of U.S. private and governmental institutions in the international

community and created an image of U.S. violating its own core principles (U.S. Congress. Senate. 1975b, 55). One lesson that we can learn from the Chilean case is that the domestic scandals over controversial issues, with the direct involvement of the President, tend to outweigh the effect of external issues, especially when the information related to latter is unclear and distorted.

To conclude, the overall assessment of U.S. covert actions in Chile shows the complexities of evaluating the exposure effect in terms of differentiating it from the others factors and events that might influence presidential popularity. In addition to that, the disclosure of both events was in one temporal domain, which makes it more difficult and complicated to evaluate the actual effect of covert action's exposure in comparison to such a huge scandal like Watergate. More in-depth case studies need to be conducted in order to evaluate the exposure effect without the influence of any other major factors. Thus, further studies of existing covert actions' exposures might benefit the field of knowledge by explaining the causal mechanisms behind the revelation process and its effect on a President.

Chapter 6 U.S. Covert Action in Nicaragua, 1980s

Introduction

After the 1979 revolution in Nicaragua, a leftist government replaced the U.S.-supported regime, which caused a discontent among U.S. high officials. Starting from 1981 to 1990, the U.S. was involved in constant attempts to overthrow the Sandinista government. This case of covert actions, in fact, is considered to be one of the most intensive and enduring in U.S. history (Leogrande 1996, 329). The Sandinista Government was targeted by the U.S. because of fears that socialist reforms planned by the new Nicaraguan government might cause a domino effect in Latin America in spreading communist ideology, which consequently would threaten security interests of the United States.

This case study is intended to analyze the effect of U.S. covert actions' exposure on President Reagan's popularity by seeking to answer the following question: *what effect did the exposure of U.S. involvement in the Iran-contra affair have on the popularity of the American president?* The case study proceeds in the following sections: (i) background of the covert action, (ii) executed covert actions, (iii) and the central part of the paper examines the exposure and its effect on the popularity of the U.S. President.

Background of a covert action

President Carter was suspicious about the Sandinistas and adopted a policy of "cautious acceptance of the new Nicaraguan government" (Leogrande 1996, 330). Despite his suspicions, President Carter continued to support Nicaragua with aid donations. However, these seemingly good relations were put at risk in January of 1981, when the Nicaraguan government was found

to sell arms to El Salvador. Consequently, President Carter temporarily stopped the aid flow, which was the first signal of a decline in U.S.-Nicaraguan relations. However, Reagan was more firm on the matter of cutting aid and started his aggressive campaign in blocking credits, assistance, as well as persuading other states to follow the example of the U.S. and not help the Nicaraguans (Leogrande 1996, 331-333).

At the same time, the Reagan administration started to fund a counter-revolutionary group, the *contras*. By doing so, in the winter of 1981-82, “the Reagan Administration began its policy of organizing covert military attacks against Sandinista government” (Forsythe 1992, 390). The CIA launched covert operations like providing aid and military training to the rebels, organizing operations against the local infrastructure, agriculture, as well as promoting an anti-Sandinista propaganda campaign (Scott 1997, 243). All of this was happening despite of 1984 prohibition by the U.S. House of Representatives to further any funding to the *contras*. This is the time Reagan and his administration decided to look for another source of finance without making any prior notice to Congress.

Executed covert actions

Reagan was desperate in providing the *contras* with needed weapons and funding. Thus, the Reagan Administration encouraged foreign countries (Israel, Saudi Arabia, and South Africa) to supply weapons and funding to the *contras* (Johnson 1989, 102; Sobel 1995, 290–291). Overall, the Reagan Administration had applied various types of covert actions as economic and highly secret military operations.

Economic actions:

The Reagan Administration tried to use all possible resources to destabilize the Sandinista government. In doing so, they established an economic war against Nicaragua, in which U.S. officials tried to block or limit any financial assistance to the country. In addition to the reduction of bilateral trade, the Reagan Administration vetoed low-interest loans from the Inter-American Development Bank as well as terminated the Export-Import bank's guarantees "to finance American exports to Nicaragua" (Rubenberg 1988, 1500).

Military actions:

Despite of the prohibition, during the years of 1983-84, the Reagan administration initiated various sabotage operations. Those included blowing up boats and bridges, sending helicopters to attack the Nicaraguan ports, as well as its coastal defenses (Leogrande 1996, 340).

However, the largest operation was initiated in 1985 when the Reagan administration decided to make the arms-for-hostages deal with Iran. It all started in March-May period of 1984 when 14 American citizens were taken as hostages in Beirut (Weiner 2008, 396). Due to the lack of needed intelligence, the C.I.A. was hesitant to launch any rescue operations. They were looking for possible alternatives when one of the C.I.A.'s assets in Paris, Manucher Ghorbanifer, proposed a plan, according to which "the United States could ship missiles to Iran, using a trading firm called Star Line, which Ghorbanifer ran in tandem with the Israeli intelligence service" (Weiner 2008, 397). As Ghorbanifer argued, this should have persuaded Tehran to help to release the hostages in exchange for provided arms.

At the same time, the C.I.A. director – William Casey – was struggling to find a source of funding for the agency's Central American activities. That said, in January 1985, Casey had come up with a great plan of combining these two issues – hostages and *contra's* funding – and decided

to initiate a “grand bargain with Iran” (Weiner 2008, 399). Casey explained his plan to Reagan and on August 3 of 1985, Mr. President approved the deal. The logic was straightforward, the U.S., with the help of Israel and Ghorbanifar, would ship the missiles to Iran, which had an influence over Hezbollah who held the American hostages so they would be released after the deal is settled.

The Iranian side agreed to help rescue U.S. hostages in Lebanon in exchange for arms from the U.S. side. However, this deal violated not only the restrictions of the Boland amendments but also the “two pillars of Reagan’s foreign policy – no deals with terrorists, no arms for Iran” (Weiner 2008, 402). In addition, it violated the Omnibus Diplomatic Security and Antiterrorism Act, which prohibits the provision of any item in the U.S. Munitions List to countries that the Secretary of State determined as being supportive of international terrorism (Scheffer 1987, 699). However, the Reagan Administration was so desperate to obtain the release of the hostages and to find the sources to finance the *contras* that they initiated the deal. The profits made out of this sale went directly to sponsor the *contras* in Nicaragua.

Exposure and the popularity of the President

The revelation of U.S. covert involvement started in October of 1986 when a Nicaraguan soldier shot down an American plane, which was carrying arms to the *contras*. Then on 3 November 1986, a Lebanese magazine reported about Reagan’s National Security Advisor, Robert C. McFarlane’s, visit to Tehran and all shortly after the visit the U.S. supplied arms to Iran (Krosnick and Kinder 1990, 498). This, in turn, caused a resonance in the mass media, which eventually led to President Reagan making a public statement on 13 November 1986. In his statement, he admitted the fact that there, indeed, was a “diplomatic initiative” with the Iranian

side, however, Reagan denied the plausibility of the arms-for-hostages story (*New York Times* 1986).

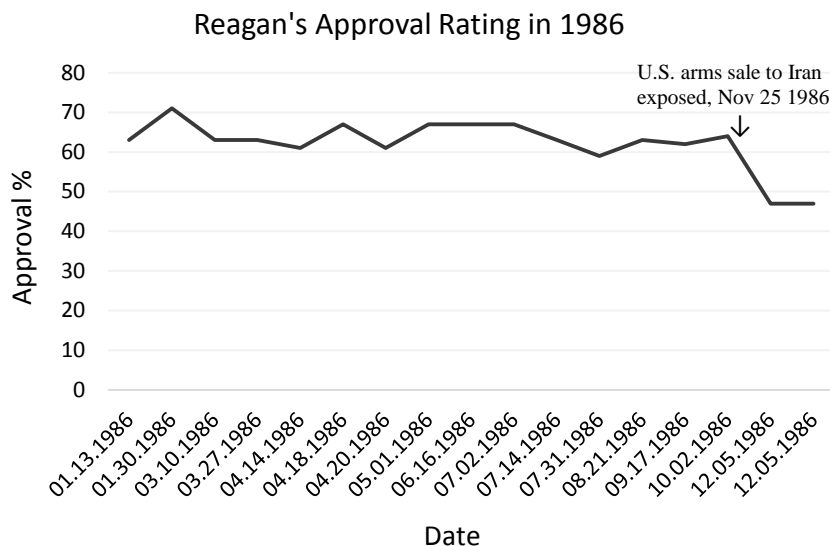
Media coverage

Despite the president's statement, on 25 November 1986 Attorney General Meese "announced to a national television audience that funds obtained from the secret sale of weapons to Iran had been channeled to the *contras* fighting to overthrow the Sandinista government in Nicaragua" (Krosnick and Kinder 1990, 498).

After the revelation of news about U.S. covert arms deal with Iran and supporting the *contras*, the *New York Times* reported that the U.S. Congress would investigate whether "whether the Reagan Administration had used the White House staff to circumvent Congressional restrictions on foreign policy and covert operations" (Engelberg 1986). Few weeks later, the *New York Times* reported President Reagan's statement that he was unaware of his Administration's policy towards Iran and that the "\$30 million intended to pay for American arms had been secretly diverted to rebel forces in Nicaragua" (Weinraub 1986).

Moreover, Reagan announced the resignation of two members of his office who he held responsible for the Iran-*contra* affair – Vice Adm. John M. Poindexter and Lieut. Col. Oliver L. North (Weinraub 1986). All of this news had its negative effect on President Reagan's popularity, which could be seen from the decline in presidential approval to 47% in the beginning of December, compared to the 64% in November 1986 (see Figure 3 below). Similar results were obtained from the *New York Times/CBS* polls, which indicated that "47 percent said they thought Mr. Reagan was "lying" when he said he did not know that money from the Iranian arms sales was going to help the Nicaraguan insurgents..." (Boyd 1986).

Figure 3. Presidential Job Approval Rating of Ronald Reagan in 1986.



Source: “The American Presidency Project” Website (Wooley and Peters, 1999-2016).

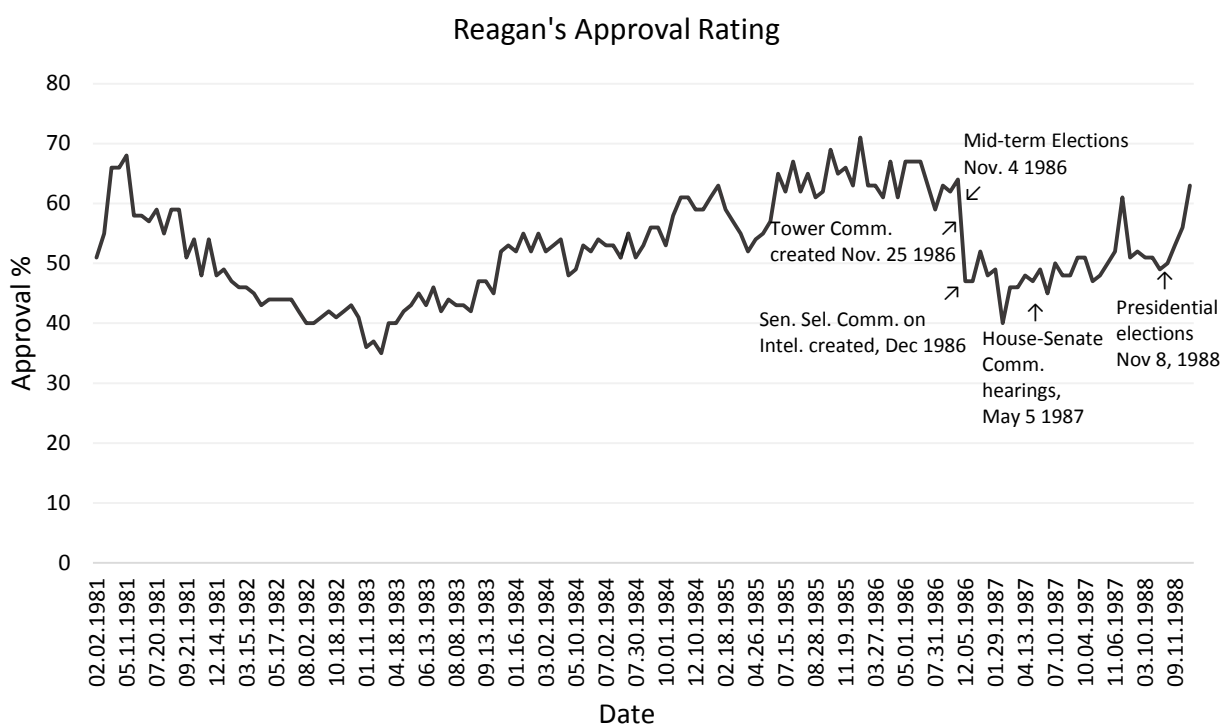
Despite the Congressional investigations started to hear from November and December of 1986 (Fuerbringer 1986), and numerous *New York Times* reports being publicized throughout 1987 (Engelberg 1987; *New York Times* 1987), the approval rating of President Reagan increased slightly over the course of one year (see Figure 4). However, on the average, during the year of 1987 it maintained on 49% approval rating. For now, let us see if this tendency would be consistent within the other dimensions.

Congressional Investigations

The Iran-contra affair could be evaluated as one of the biggest constitutional confrontations between Congress and the White House (Timbers 1990, 31). The reason for a congressional investigation was the illegal nature of covert actions in shipping the arms to Iran, as well as

funding the *contras* in Nicaragua, which occurred despite the Boland amendments that prohibited any aid to the Nicaraguan rebels. Moreover, contrary to the rulings of the National Security and Intelligence Oversight Acts, the Congress had never been notified about the arms and other covert operational initiatives (Hicks 1996, 971).

Figure 4. Presidential Job Approval Rating of Ronald Reagan, 1981-1986.



Source: "The American Presidency Project" Website (Wooley and Peters, 1999-2016).

Thus, three separate committees were established in order to investigate the issue (Rubenberg 1988, 1477). The first investigative body, commenced on December 1 1986, was the Senate Select Committee on Intelligence, which, as it is stated in its report, failed to reach any plausible conclusions or findings, because of "its preliminary nature" and only might be helpful

“to note discrepancies and gaps” of the information that the Committee have gathered (U.S. Congress. Senate 1987, 1). In addition, the report also mentioned how it could be used “to save time by moving more rapidly through the preliminary stages of its investigation” (U.S. Congress. Senate 1987, 1).

The second, Tower Commission, was a special board appointed by President Reagan on November 25 1986, which focused on the examination of national security processes and procedures (Rubenberg 1988, 1478). Overall, the Tower Commission concluded that the whole NSC system was functioning on a decent level and that it was the fault of the people, not the structure itself, which led to the notorious Iran-contra affair. In this way, the Commission tried to protect the President from any negative fallout around the issue at stake. This, in turn, led to the final investigation of the House-Senate Committee.

The hearings of the House and Senate select committees started on May 5, 1987. Congressional committee members interrogated U.S. officials who were supposedly engaged in covert activities. Among many there was the President’s National Security Adviser Admiral Poindexter and National Security Council staff member lieutenant colonel Oliver North. Later on, these officials would be admitted as the main responsibility bearers of the Iran-contra affair. In their testimonies, both North and Poindexter did not hesitate to challenge the constitutional power of Congress to participate in foreign policy making (Fisher 1988, 156). Moreover, Poindexter testified that he had not told the President about the diversion in order to grant him political deniability (Greenhouse 1987). Thus, there was no other strong evidence that Reagan or Bush was related to the Iran-contra affair in order to hold them accountable for the issue.

The fact that the House-Senate investigation concentrated its attention on general issues of “who did what, when, and who knew about it” and their incompetence to analyze broader issues like deficiencies in a national security system or Presidential accountability shows us their

negligence in revealing and punishing the real culprits behind the Iran-contra affair. The consequences of congressional investigations were that the Congress decided to tighten its control over the covert actions' usage by setting up a 48-hour limit for the President to inform the Congress (Hicks 1996, 972). As well as, it convicted a dozen officials, among which were "three CIA officers, five 'privateers', and four administration officials" (Nichols 1992, 28). However, both North and Poindexter's convictions were invalidated in 1991 based on the reasoning that "their previous congressional testimony may have prejudiced their cause" (Nichols 1992, 28).

Public opinion polls

Overall, it is safe to conclude that the Congressional hearings did not have a significant effect on President Reagan's popularity. This can be seen in Figure 4 where there is a positive trend of increasing approval, which went up to 61% in December 1987, from a 40% indicator at the end of February 1987 when the first report of the Intelligence Committee was issued. The only significant decline in presidential approval was at the very beginning of the Iran-contra affair's exposure in the period between November and December 1986.

The main reasons why Reagan's rates did not decrease after the congressional investigations are the following: the confusing nature of the hearings, absence of any direct accusations towards President Reagan, the unwillingness of the Congress to initiate "another Watergate", as well as factors like the President's senior age and upcoming end of his term (Hersh 1990). Since there was no change in presidential approval ratings, it makes sense to look at the election results to see whether there was an effect or not.

Election results

In order to evaluate the effect of the Iran-contra affair, I look at the results of both presidential and mid-term elections during President Reagan's tenure. Specifically, I look at the number of seats that have been won or lost as a result of elections in both the U.S. House and U.S. Senate. The mid-term elections of November 4 1986, which took place right after the exposure of the Iran-contra arms initiative, show a minor loss in seats for President Reagan. The Republican Party lost only 5 seats in the House and 8 seats in the Senate (Wooley and Peters 1999-2015).

The presidential elections of 1988, which were held on November 8, resulted in a victory of George Bush's for presidential candidacy. The Republican Party, led by Bush, lost only two seats in the House and did not gain or lose any seats in the Senate (Wooley and Peters 1999-2013). As the *New York Times* reported, Bush defeated his opponent Mr. Dukakis by 54% to 46% in the popular vote (Dionne 1988). The main reasons for Bush to win the office, as a report says, were these two: "his role as Mr. Reagan's heir at a time of the President's resurgent popularity and a general contentment with the state of nation's economy" (Dionne 1988). However, 46% of the votes earned by Dukakis and 262 seats won by Democrats in the House as opposed to 173 of Republicans show us that the 1988 Presidential race was not an easy victory for Bush or Republicans by any means (Dionne 1988).

Overall, the fact that another Republican candidate managed it to win the presidential office shows us the temporary effect that the exposure of the Iran-contra affair had on the popularity of President Reagan, which seems as not to have an influence on his Vice-President Bush.

Conclusions

The case of Nicaragua give us an illustration of how the President might use covert actions as a foreign policy tool in pursuing what he thinks to be right and plausible. The scale of the whole Iran-*contra* operation is shocking in its enormity. It involved not only the initiator and target sides, but unraveled the participation of foreign actors and private sponsors, who were involved by the Reagan's administration in order to fulfill their plan of overthrowing the Sandinista government in Nicaragua. In addition, the fact that the Reagan Administration had made a deal with Iran, one of the most hated U.S. enemies back in the day, in order to rescue the hostages held by a terrorist organization made the Iran-*contra* affair to cause a lot of resonance in the media. Overall, the most surprising fact in the case of Nicaragua is that President Reagan managed to escape from the punishment due to the scrupulous efforts in minimizing the effect of exposure, by creating the confusion around the hearings, as well as in finding the ones who would take the whole responsibility. To conclude, there was no long lasting effect of the Iran-*contra* affair's exposure on President Reagan's popularity. The effect was mainly temporary during the first months of exposure. As a result, President Reagan's heir – George Bush – as well as his Republican Party won the 1988 elections despite a serious competition from the Democratic side. This, in turn, shows us how the effect of exposure might differ depending on the level of complexity and sophistication created around the covert action and its investigation.

Chapter 7 Conclusions and Further Implications

In following their primary goal – staying in the office – U.S. Presidents apply various policies both overtly and covertly. Each of them has beneficial as well as costly components in using them. The extent to which unsuccessful overt policy decisions influence the U.S. President's popularity has been well studied and examined. However, the existing scholarship seem to be silent about the effects that failed covert policy decisions might have on U.S. President's approval rating. This project was motivated by an intention to take an attempt and address this puzzling notion.

To do so, I have constructed my theoretical framework where I have assumed that the exposed use of covert actions should negatively affect a U.S. President and, moreover, that this effect would be greater if the covert action's target state was a democracy. In order to test these assumptions I have analyzed 16 cases of U.S. covert actions, among which 13 were exposed during the initiator President's term. Among those 13 cases, eight of them were followed by a decrease in presidential approval ratings, which supported my first hypothesis that the exposed covert actions should have a negative effect on a U.S. President. Hence, I further found out that three of these eight cases were democratic countries and that the revelation of covert actions against them was also followed by a decrease in Presidential popularity. This, in turn, supported my second hypothesis. However, the results for non-democratic target states were split in a half. Among 10 cases of exposure for non-democratic states, five of them had an effect and five had not have any effect on presidential popularity. This, in turn, might be an interesting research avenue for further studies to look at what is the difference between these cases to cause contrasting results. Overall, after obtaining these preliminary results, I decided to conduct a case

of one democratic (Chile) and one non-democratic (Nicaragua) state and see if there was any difference in the exposure effect.

Although my preliminary case classification results looked supportive to my hypotheses, the in-depth case studies told a more nuanced story. The interesting fact is that both covert actions' exposure were followed by a drop in presidential approval ratings; however, it only had a temporary effect. In both cases, numerous factors affected the degree to which a covert action's disclosure had affected a U.S. President's popularity. In the case of Chile, most of the public attention was overwhelmingly dominated by the Watergate scandal. Regarding the case of Nicaragua, even though there were direct indicators of public discontent, the effect of disclosing the Iran-*contra* affair vanished throughout the time. This could be explained by the ambiguity and frustration that surrounded the congressional investigations and U.S. officials' testimonies. Consequently, neither of U.S. Presidents suffered a long lasting effect of both covert actions' exposure.

After conducting my qualitative analyses, I conclude that the exposure effect varies from case to case depending on various factors. This project illustrated the importance of factors like media coverage, the complexity of congressional investigations, and the presence of any major domestic issues/scandals in defining the exposure effect of covert actions. In addition, my case studies showed that the regime type of the target seem to matter. As Senator Church emphasized it, "the nature and extent of the American role in the overthrow of a democratically-elected Chilean Government are matters for deep and continuing public concern" (U.S. Congress. Senate 1975a, 1). In its turn, the Nicaraguan case was prominent in a sense that it involved a deal with Iran, which was considered one of the biggest U.S. adversaries at a time. In addition, the above-mentioned factors like media coverage, the complexity of congressional investigations, and the

presence of any major domestic issues/scandals also has its role in shaping the domestic public's evaluation of covert actions, as well as the overall strength of the exposure.

Overall, I suggest that more rigorous studies of the U.S. covert actions would help to evaluate its exposure effect on the presidential popularity. In this sense, further in-depth case studies and data collection need to be done in order to identify the full range of factors that affect the exposure effect and its potential influence on a U.S. President.

Appendix 1 The List of U.S. Covert Actions during the Cold War Period, 1949-1989

Source: Berger et al (2013).

1. Afghanistan 1979-89
2. Angola 1976
3. Brazil 1964
4. Chile 1970-73
5. Cuba 1959
6. Democratic Republic of the Congo 1960-65
7. Dominican Republic 1961
8. Guatemala 1954
9. Indonesia 1958
10. Iran 1953
11. Iraq 1960-63
12. Nicaragua 1981-90
13. Poland 1980-89
14. South Vietnam 1963
15. Syria 1949
16. Turkey 1980

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