Approved For Release 2008/09/11 : CIA-RDP04-00312R001001840005-5

Wilso

THE WASHINGTON POST

'Knuckle-Draggers' at Work for Libya

It is possible the Central Intelligence Agency knew about, perhaps even condoned, the activities of U.S. mercenaries who ran a school for terrorists in an abandoned palace in Libya.

JACK ANDERSON

The Americans were trained in undecover work, including the finer points of assessination, by the CIA and U.S. Special Forces. They continued to draw on their contacts in the U.S. intelligence community while they rigged booby traps and taught paramilitary tactics for Libya's reckless, radical ruler Muammar Qaddafi.

He has turned Tripoli into the terrorist capital of the world, a place seething with desperadoes and revolutionaries of every imaginable cause, color and costume. They come to Libya for refuge, money and weapons.

The two headmasters of the terrorist school, Frank Terpil and Edwin Wilson—both former CIA agents, both wanted in the United States on gunrunning charges—are familiar figures in Tripoli. Wilson is reported to be hiding out there in a hotel room down the hall from the notorious terrorist and assassin Carlos the Jackal.

There is evidence in top-secret Justice Department files that the CIA may have been aware of the mercenaries' undercover work for Qaddafi. The files, reviewed by my associate Dale Van Atta, disclose that several leads indicated CIA connivance but could not be followed up. The agency cooperated with the investigators on some questions, but stonewalled inquiries that threatened to hit too close to home.

"We were getting onto very hot stuff," one investigator said. "It was my clear impression that we had gotten too close to some very sccret CIA shenanigans." Here are some of the suspicious leads from the files:

 Two men, who "had been involved in the development and design of Special Forces-type devices." were recruited to work for Qadaffi. According to the files, "They were highly skilled technicians from China Lake, Calif." This is the site in the Mojave Desert of a supersecret Navy center where lethal devices are perfected. Both men were working on classified CIA concealed weapons systems" when they were hired to impart their expertise to the Libyans. After their stint in Libya, incredibly, they returned to work at China Lake, though the CIA knew of the association with Qaddafi.

• Terpil and Wilson made a startling proposition to three CIA contract agents in September 1976. They were asked to kill a Libyan "traitor" whom Qadaffi wanted eliminated and to train the dictator's own assaasins. When Terpil and Wilson cited their CIA credentials, the three men flew to London and Geneva to discuss the deal. They declined a \$100,000-peryear offer after learning that they would be working for Qaddafi and wouldn't have the "protection" of the CIA.

• A retired veteran of the Army Special Forces received a telephone offer of \$50,000 a year to put together a five-man team "with expertise in intelligence operations, weapons and demolition." The offer came from someone he apparently believed was a clandestine U.S. official recalling him to action. Obediently, he recruited four Special Forces men who, by prearrangement. turned over their birth certificates and passports to an unidentified woman at the Arlington Quality Inn. Two hours later, she returned with Libyan vises. Once in Libya, they discovered that their secret mission was to train Qaddafi's security forces. The leader returned to the United States and informed the FBI. Not long afterward, he received an anonymous threat to forget everything he knew about the operation in Libya or else

Wednesday, October 22, 1980

• Another team was recruited by a captain who, according to the files, was "in charge of the hazardous devices division, Redstone Arsenal, Huntsville, Ala."

Many CIA operatives merely have an "understanding" with the agency, but no formal connection to avoid possible embarrassment. Other former specialists in the dark arts, known in intelligence circles as "knuckle-draggers," have been turned loose since the CIA was reformed and may be looking for new employment. In the infelligence game, it's an easy transformation from spook to mercenary.



,

Approved For Release 2008/09/11 : CIA-RDP04-00312R001001840005-5

WA 21

WASHINGTON POST 21 October 1980

JACK ANDERSON ramed l errorists

American cloak-and-dagger operatives, skilled in the dark arts, have trained and equipped terrorist squads for Muammar Qaddafi, the dictator of Libya and promoter of world terrorism.

•2

(

CH PAGE B 15

Dozene of victims have reportedly been hunted down and executed, probably with the cold efficiency American know-how has brought to the murder profession. One death squad was discovered in the United States and expelled before it could complete its gristy mission.

According to secret Justice Department files, the American experts have taught Qaddaf's killers how to construct sophisticated boobytraps that can turn such innocent objects as a book, telephone. or toothpaste tube, into murder weapons.

The American ringleader, Frank Terpil, even offered to amuggle into Libya a U.S. Redeye missile, a shoulder-launched, heat-weeking weaponthat can bring down an airliner.

Qaddafi, a crucible of anger without focus, supports terrorist groups around the world from Ireland to Malaysia. Declares one federal investigator's report: "Libya publicly admits that it: gives training, weaponry and funding 't to terrorist organizations throughout the world, specifically admitting support of the Palestine Liberation Organization; Irish Republican Army, Red Brigade and Japanese Red

The report adds: "Also revealed in the investigation was the supply by -- United States firms of sophisticated timing devices, radio control devices and sensitive surveillance and communications equipment to unauthorized representatives."

My associate, Dale Van Atta, has reviewed the classified Justice Department files, which read like a James Bond yarn. Here are just a few startling excerpts from the files:

 Terpil agreed to train Libyan agents in "espionage, sabotage and general psychological warfare" as well as "the design, manufacture, implementation and detonation of explosive devices." The undercover training was disguised as a mine-clearing operation.
Terpil closed the deal in London

• Beginning in mid-1976, the furtive

Terpil, an ex-CIA agent, recruited a team of American clandesine operatives, paramilitary specialists, professional killers and explosives experts trained by CIA and U.S. special forces. By August, 1976, the Americans were esconced grandly in the former winter palace of former Libyan King Idris a luxurious hideaway that they assigned the curious code name "Swanee."

• A palace room was turned into a workshop filled with diabolical devices. The Libyan intelligence chief liked to take trusted friends on tours of the secret room and show off the deadly wares and his American mercenaries. The visitors were most impressed with the book that detonated when it was opened.

• Witnesses quoted a Libyan fleutenant as explaining that the devices "were to be used to eliminate certainpeople" because Qaddafi "would feelmore comfortable if they were not, around."

50

PAP

•In July, 1977, the Americans delivered some lathal "fisshlights, attache cases, transistor radios, handheid calculators and refrigerators" all transformed into bombs — to a Libyan colonel in Tobruk. The files relate that "one of the Libyan military officers picked up one of the devices. As a result, the device along with therest of the explosives on the truck detonated and killed three Libyan soldiers." Three: American 'instructors were wounded.

e.Veterans of the U.S. special forces taught the Libyans "American tactics and techniques," including classified methods and maneuvers developed by the United States. One of the Americans complained that some of his students "were barbarians in that they were stealing paintings and using silver tableware as darts."

• One informant slipped into the palace basement arsenal and inventoried an enormous cache of sophisticated gadgets from various American companies. "The invoices contained in the boxes listed thousands of timers at a price of millions of dollars," the report stated. Terpil sold the equipment for grossly inflated prices; one order of 100,000 timers, purchased for \$4.50 to \$6 per unit; was sold to the Libyans for up to \$250 apieca. Approved For Release 2008/09/11 : CIA-RDP04-00312R001001840005-5 1) bon

JACK\AND ERSON WASHINGTON POST-10/20/80 1 · · · · · · X16 32 1 446 4 51

One of the biggest bombshells in the Billy Carter case lies ticking but unexploded in the classified files of the Justice Department Locked in the source Leparaments Locaet an these files is evidence that Provident Carter's foot loose brother, periage innocently, Became tother, periage the leader of a ring of Almerican mercenaries specialists in munder a dige and mayiem who leased their shills in the CIA and military special forces,

These violent men some \$5735e toughest and meanest ever, to some out of America's chardestine open tions, have / been collatorating with Libyan dictator, Musmmar Qaddaff's worldwide terrorist, movement, There have supplied the terrorists with mi-famal murder devices, and have worldwide terrorist, movement

trained them in the dark arts. And They statting details have been swept under the secrecy stamp; inten-sibly because they would expose CIA and military secrets but possibly because the information would en rass the White House. The ringleader of the mercenaries in

Frank Edward Terpil, a stocky, z tachioed CIA existent who see home close to CIA headquarter Langley, Va. and whose whe ÷ð, worked for the CIAFFIC alleg supplied weaponry and explos сŤ. support wappend and the set of th

cafe, a quoted in the secret files as explaining. "You' know, the colonel [Qaddaff] may some time have some young colonels or some officers who are setting out of line that he wants to send a present to." Here wants to the rugged Wilson, who also has a background as an infalligence officer for the CIA and the New, alleyedly tried the recruit an assess, it leavedly nate one of Qaddaff's enemies, in Ervot for a \$1 million fee

Egypt for a \$1 million fee According to the secret files/Terpil and Wilson have recruited at least 10-U.S. special forces veterans who are described as / trained assessing." But, givenifies shill of these clandestine ground to an one that identifies coversities to conceat their identities, the number is probably greater. Seven U.S. explosive experts and two men trained to make sophisticated CIA wenness have also been brought to Libys by Terpil and Wilson a start The two ringleaders have been in-

dicted for gun-running, and are on the lam. Intelligence sources say Wilson is ding out in a Tripoli hotel just down al terrerist Carlos the Jackal. Tera last reported in Syria, which 4 with Galder's Libys Billy Carter was once in touch with the notorious Terpil, though the con-metion may be entirely innovat. He vases, radios and interaction of a many size with Tarpit. Another time, Billy Cit-One of his associates, Bdwis Paul the hid discussed a machine-gun deal Wilson is his hulldoser of a many size with Tarpit. Another time, Billy Citcould pass for John Wayne in g dim. tes said Terpil has acted as an inter-

preter for him in Libys, though Terpil knows no foreign languages. Billy also said he might have signed a photo-graph showing himself and Terpil to-gether in Libys, To my, friend, Frank.

92

B

÷

. 1

7

Ċ

2

But, later, Billy Carter recanted, and insisted by hardly, knows the man time of the last of the second se edi My a ment files, which are drawn from grand jury, transcripts and investigator's reporter The FBL Customs Bus reau, Burgau of Alcohol, Tobacco and Firearms, and two federal grand juries have been working on the case for two ayean. If only a fraction of the allega-ations can be proved in court, it will be one of the most incendiary political-military-intelligence scandals of the rdecade an active sector alegor Les

This secret conclusion from Justice Departments files summarizes the case: "The United States, in effect, has become a worldwide supplier of hardware and technology in support of worldwide terrorism. Former CIA personnel, military special forces and U.S. corporations combine to supply products and expertise to whoever can pay the price.' CRI- MC

Footnote: Sources close to the investigation claim that the prosecutors, fearful of burning their fingers, have been handling the case as if it were radioactive. But the grand jury prose-cutor insisted that his office is pursu-ing the investigation vigorously.