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Wilson headed scam to steal Iranian funds

WASHINGTON — To Joseph Patrick Judge the evolution of Edwin P. Wilson from senior spy, surrogate father, to what he calls a traitor has left a bitter taste in his mouth.

Joe Judge was Wilson's No. 1 international arms salesman.

He first met Wilson in the 1960's when Wilson recruited him into the world of intelligence at a Young Americans for Freedom meeting in Washington, D.C.

Wilson, a brilliant and urbane man, turned Judge from a raw recruit into an international arms salesman. Judge did all the chores he had to do for Wilson, from carrying rewards to cooperative congressmen and senators to making payoffs in the millions to the highest officials of what had been the Shah of Iran's government.

Joe Judge, bearded, dressed like a wealthy lawyer, now is filled with hate toward Wilson: "He ----- me on a deal. I was closing a deal with an Arab in Miami on some arms. The Arab and I had been close and he had warned me never to trust Ed. He let me listen in on the phone when Ed told my customer that if he cut me out of the deal Ed would kick back my commission. . . of course Ed would have only kicked part of it back. That's when I understood what he had become."

Before Judge left Wilson in early 1978 to join with Thomas Polk, another ex-Wilson salesman, he consummated one more big score.

"The deal was a scam involving the Iranians. Wilson had been contacted to help the Shah get more than half a billion out of Iran. I was given the account," Judge says.

Flipping through the telegrams, lawyers' letters, letters of credit and other documents to illustrate "the tractor deal" Judge laid out how he and Wilson conspired with the highest officials around the Peacock Throne to resell to various Iranian government departments roadbuilding equipment the Iranian taxpayers had already bought again and again.

"The roadbuilding equipment originally cost \$46 million. By the time we finished up it had been sold at inflated prices to other government departments in Iran for more than \$600 million," Judge said.

The documents showed a large Washington, D.C., law firm with current connections to the CIA handled the deal. Judge requested the Sunday News Journal not identify the firm for his own protection.

Top CIA sources independent from Judge confirm that the station chief in Tehran had contacted Wilson for his help in moving money out of Iran for the Shah in August 1977.

Wilson told Judge that he was to handle the deal through a Wilson company called EXIM Corp., a subsidiary of Safety and Security International, a Wilson firm based in Amstelveen, Holland.

Following Wilson's instructions Judge wrote to the Shah's ambassador to the United States, asking if the Iranian government would be interested in purchasing the roadbuilding equipment.

On Sept. 29, 1977 the Shah's ambassador, Ardeshir Zahedi, wrote back to Judge saying that he was favorably disposed to the offer and was forwarding it to the Iranian Ministry of Transportation.

According to Judge, "Ambassador Zahedi received enough money in the deal to retire to Switzerland and pay for his extensive medical expenses there."

Other letters followed until Transport Minister Mortezi Selehzi accepted the deal. According to Judge, Selehzi never received his promised half million dollar commission from Wilson despite the fact that through double-billing, falsified records and vouchers, phony shipping papers, the \$46 million in government-owned equipment had been resold to Iran for \$382 million between September 1977 and March 1978.

"The whole thing was a swindle, a way of getting the Shah money," Judge says.

The documents show that at the time the Shah's regime fell Wilson had assisted him in getting more than \$600 million out of the treasury for the equipment. The money, which went to Exim's parent company, was transferred to the UBS Bank and other Swiss banks into accounts controlled by Wilson.

The money was then laundered through a now defunct Australian bank, controlled by the CIA, called Nugan Hand Merchant Bank Ltd., and given to the Shah.

That bank, which collapsed in 1980, was the same one used by Wilson in previous CIA assignments in Asia.

Judge said that Wilson's fee in the swindle "was in the millions." Asked what he got out of his role as salesman, the 37-year-old former spy said: "Not enough."

Joe Trento