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# 'Shadow' operations to be examined

## Former military, intelligence agents turning up in Iran-contra probe

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As the Iran arms-contra scandal continues to unfold, at least

some congressional committees will closely examine the so-called "shadow network" of former military and intelligence operatives who were instrumental in aiding the contras and selling arms to Iran, as well as probe allegations that the contra supply effort was sustained by profits from drug trafficking.

To many observers, one of the most alarming aspects are the ties between two of the affair's central figures, a retired Air Force major general, Richard V. Secord, and an Iranian business partner, Albert Hakim, to former military intelligence operatives called "cowboys" by some Capitol Hill sources.

These figures are personified by Edwin Wilson, the renegade former CIA agent who is now serving a lengthy federal prison term for having shipped weaponry to Libya's Moammar Khadafy in the 1970s.

According to congressional and private sources, news reports and court documents, since the mid-1970s, Wilson and other former CIA agents including Theodore Shackley, Thomas Clines and Ralph Quintero, associated with one another and Secord and Hakim through a web of interlocking corporations that have reportedly played key roles in both the contra supply effort and Iranian arms sales.

And even before corporate relations were forged, most of these former operatives had worked closely with one another, their activities going back to the early 1960s in intelligence operations around the anti-Castro movement in Florida, and later, in Southeast Asia and Iran.

Some analysts, including Peter Dale Scott, a professor at the University of California at Berkeley, said freelancing by Wilson and the others is rooted in the CIA's purges of hundreds of covert operatives in the mid-1970s.

Scott noted that these men were on good terms with foreign CIA contacts, and after the mass firings, were forced to seek employment through those contacts. And as clandestine operations fell more and more out of favor at home, some former spies began to resort to more questionable kinds of activities, Scott and others said.

But under President Reagan, the clandestine services were reborn, as evidenced by a budget that has grown faster than the Pentagon's. The old intelligence hands were put to work by an administration trying to bolster anticommunist insurgencies. In some cases, the operations were conducted under private auspices to give the government deniability.

### Turned to Secord

In putting together a private contra supply network after Congress barred US aid in 1984, and, later, to facilitate the Iran arms deal, Lt. Col. Oliver North, the fired National Security Council aide who is at the heart of the Iran-contra affair, turned to Secord and other members of this private network.

[In an effort to win the release of US hostages, Secord accompanied North on a clandestine trip to Beirut on Oct. 31, just days before the Iran-contra arms connection was publicly revealed, the Washington Post reported Saturday.]

"The administration was faced with the question of how to keep the contras alive, and with the CIA out of the game, they gave Ollie the portfolio," a congressional aide said.

"The NSC is better shielded than the agency," the aide went on, "but they don't have any money or operatives. So they went to the 'cowboys,' the former operatives, who are looking for work, who have relations with other governments, who know how to get things done, and if they make a buck on the side, that's OK."

But if North saw a certain logic to this arrangement, many ob-

servers said he erred seriously in picking people for the assignments in Central America and Iran.

"It surprises me that anyone could be so naive as to hire someone with such a close association to Edwin P. Wilson, and I think it was an act of irresponsibility to bring people like that into government employment," said Stansfield Turner, who was CIA director from 1977 to 1981. Turner was referring to Shackley, Clines and others. A

Because of their ties to Wilson, Turner removed Shackley as the agency's No. 2 man in covert operations and reassigned Clines. Seeing no future under Turner, both men resigned from the agency soon afterward.

Meanwhile, increasing attention is being given to charges raised in a pending federal lawsuit in Miami. That suit links the contra supply operation to the Iranian arms transfer by detailing a complex and bizarre series of crimes allegedly committed by the Wilson-Shackley group over 20 years.

### Suit's charges

The suit charges that members of the group, despairing about an isolationist drift in Washington that was preventing the United States from its role as leader of the free world, trafficked in arms and narcotics to support anticommunist insurgency around the world.

The charges are spelled out in a 95-page affidavit filed last week in a \$23.8 million civil suit brought by Tony Avirgan and Martha Honey, a husband-and-wife team of freelance journalists, against two dozen contra leaders and several former CIA and military officials.

These figures, according to the lawsuit, include Shackley, Clines, Secord, Hakim, Quintero and retired Maj. Gen. John Singlaub, former chairman of the World Anti-Communist League, who is also active in assisting the contras.

The defendants have denied the allegations and at a hearing last Monday in Miami, their lawyers characterized the charges as nothing more than "malicious gossip."

Continued

The lawsuit, filed in May after a two-year investigation, stems from the 1984 bombing of a press conference held by the contra leader Eden Pastora in Costa Rica in which five persons were killed and two dozen injured, including Avirgan.

Pastora, who led an independent anti-Nicaraguan group along the country's southern border, was allegedly targeted for assassination because he had refused to take up arms with a contra faction he considered a puppet of the CIA.

The suit charges the defendants with responsibility for the bombing as part of a larger conspiracy to sell cocaine in the United States to raise money and other supplies for the contras.

It charges that Shackley, while overseeing the CIA's secret war in Laos in the mid-1960s, along with his deputy, Clines, had entered into an alliance with Hmong tribesmen and helped a faction gain a monopoly on opium trafficking to help fuel the war effort.

Later, before the fall of Saigon in 1975, Shackley, Clines and others began skimming money from Hmong heroin profits and pilfering US weapons in Vietnam as part of an unauthorized effort later to wage anticommunist insurgency in Chile, Iran before the fall of the shah, Libya and now Nicaragua, according to the suit.

In 1979, both Shackley and Clines were out of the CIA, and most the network went private, though Secord was still in the Air Force as director of international programs.

By then, the suit asserts, Shackley, Clines, Wilson, Secord and Hakim had created a number of corporations and subsidiaries around the world to conceal their operations, which would later include aid to the contras and selling arms to Iran.

#### Swiss-based

The suit says some of these corporations were based in Switzerland, including Lake Resources Inc., into which Secord and North allegedly funneled profits from the Iran arms sales. Stanford Technology Trading Group Inc., and Compagnie de Services Fiduciaires, CSF Investments Ltd. and Udall Research Corp. were based in Central America, and others, like the Egyptian-American Transport Service Co. and the Orca Supply Co., in the United States.

All these companies are figuring in the investigation into the Iran-contra affair.

Now that Wilson's name has surfaced again, many are starting to take a second look at his claim that he was acting on behalf of the CIA - a claim he was prevented for national security reasons from airing in court.

Few doubt that Wilson abused or misrepresented his CIA links while profiteering in the name of patriotism. But he reportedly remains insistent that he was still funneling intelligence information to the agency, and that he remains a spy left out in the cold.

Shackley and Clines were never compelled to testify at Wilson's trials, and Secord, after acknowl-

edging their friendship, said Wilson had once offered to supply the United States with a Soviet MIG-25 fighter plane from the Libyan Air Force.

Whatever the truth about Wilson and his allegiances, evidence that he committed a string of felonies is overwhelming, and under those circumstances, that for North and the National Security Council would turn to turn to this group to carry out sensitive assignments on behalf of the nation, continues to amaze many.

"I'm not in a proper position to say if it's a proper way to conduct foreign policy, but it is certainly stupid tradecraft," said Lawrence Barcella, the lead prosecutor in the Wilson trials. "During the trials, many of these people were linked together in a not very flattering way, and to use them again seems ill-advised. To the extent that you use the identity of one, a reporter only has to go to the morgue-file to learn the identity of others. They are part of an infamous network."