

Team of Ex-Green Berets Trained Terrorists for Libyan Government

The following article is based on reporting by Philip Taubman and Jeff Gerth and was written by Mr. Taubman.

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HONOLULU, Aug. 24 — Four years ago, 10 men trained by the Army Special Forces to be America's elite commando troops went to work for the Government of Libya, training terrorists.

According to participants in the operation, and Federal investigators who have since tried to reconstruct the events, the men went to Libya with the knowledge and endorsement of the United States Army. They apparently believed that they were infiltrating the Libyan Government on behalf of the Central Intelligence Agency.

Nine were retired members of the Special Forces, better known as Green Berets. The 10th, who recruited the others for the mission, was a master sergeant in the Green Berets and was on active duty. He had been recruited by a former agent for the Central Intelligence Agency.

Its Organizer Is a Fugitive

The belief of the 10 men that the mission was intended by the C.I.A. as an infiltration of the Government of Col. Muammar el-Qaddafi was apparently shared by ranking Green Beret officers.

Whether it was remains uncertain. The C.I.A. denies any involvement; many participants, and some Federal investigators, believe the mission had at least the tacit approval of the agency.

What is certain, say the Federal investigators and the participants, is that the operation was organized, financed and directed by Edwin P. Wilson, a former Central Intelligence agent. In 1976, according to the investigators, Mr. Wilson closed a business deal with Colonel

Qaddafi to sell his expertise in intelligence, arms and explosives to Libya for the training of terrorists.

Mr. Wilson was indicted in 1980 by a Federal grand jury on charges of illegally exporting explosives to Libya. He is now a fugitive, believed to be living in the Libyan city of Tripoli.

Mr. Wilson's use of Green Berets, like other aspects of his relationship with Libya, has generated problems for the United States Government and raised questions about the way Federal authorities handled the matter.

The Justice Department, after investigating the case and calling many of the Green Berets before a grand jury for questioning in July 1979, produced no indictments. One reason, investigators

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said, was the lack of any Federal law prohibiting the training of terrorists outside the United States by American citizens.

Slow to Accept Responsibility

The Army and the intelligence agency, investigators said, have been slow to accept responsibility for the activity of those who were employees or former employees when the operation began in 1977.

An informal Army review of the case, begun after the Justice Department started its investigation, ended inconclusively, according to Defense Department officials.

Lieut. Col. Harold Isaacson, a spokesman for the Special Forces, with headquarters at Fort Bragg, N.C., said that the involvement of former Green Berets in the Libyan operation, like the activities of former Green Berets in general, was not the responsibility of the Special Forces. Army officials said that inquiries had determined that the one active-duty officer involved, and the superiors who endorsed his role, had apparently acted in good faith, believing the mission was sanctioned by Central Intelligence.

William J. Casey, the Director of Central Intelligence, recently ordered a review of agency policies to guard against the transfer of information and technology by former agents to such countries as the Soviet Union and Libya. The review was prompted by the case of Mr. Wilson and Frank Terpil, another former agent, in which agency connections were used in getting the explosives to Libya illegally and in the training of terrorists there. Mr. Casey said the agency's general counsel was "reviewing our contracts to develop additional protec-

tions against the kind of moonlighting and use of our contractors and technology which occurred in the Wilson-Terpil situation."

Call to Fayetteville

The involvement of the Green Berets in the Libyan training operation began on July 21, 1977, when Luke F. Thompson, then a Special Forces master sergeant, received a phone call at his home in Fayetteville, N.C., from a man who identified himself as Patry Loomis. Mr. Thompson played a key role in numerous covert operations in Vietnam and Latin America in the 1960's and 1970's, according to intelligence officials.

According to Mr. Thompson, whose account was confirmed by other participants and Federal investigators, Mr. Loomis said he was calling from Washington.

"He asked if I could go abroad to discuss a contract," Mr. Thompson, now retired, recalled in an interview here yesterday. "He said it involved big

money and asked if I could get a hold of four or five other men with Special Forces specialties who were prepared to travel fast."

Mr. Thompson conditionally accepted Mr. Loomis's offer. At the same time, he called military counterintelligence officials at Fort Bragg to report on the conversation. "I thought it might be something subversive, you know, maybe a foreign power trying to lure us into something," he said.

Talked All Night, He Says

That evening two counterintelligence officials from Fort Bragg drove to Mr. Thompson's house and the three talked over the conversation that Mr. Thompson had had until early the following morning, Mr. Thompson said.

The next day, Mr. Loomis called again, this time to arrange a meeting with Mr. Thompson and the men he was



Mark Godfrey

Edwin P. Wilson

recruiting. They picked the Sheraton Motor Inn in Fayetteville. The time was to be the following day, July 23.

Mr. Thompson notified the counterintelligence officers. "They told me to keep cooperating," he said.

On the day of the meeting, the counterintelligence officers called Mr. Thompson. He recalled: "They said: 'We've checked this to the top and it's legal and aboveboard. You can pursue it as you desire.'" Satisfied that he was dealing with a Government operation, he said, he went to the meeting.

Says He Was In Deep Cover

Mr. Loomis and a Washington lawyer, the account by Mr. Thompson continued, escorted Mr. Thompson and three recently retired Green Berets to his

room. After turning up the volume on the television, according to Mr. Thompson, Mr. Loomis identified himself as a Central Intelligence agent. "He said he was with the agency and had just recently come out of deep cover in Indonesia in the aircraft industry," Mr. Thompson said.

Mr. Loomis offered no details about the operation, saying that information would be provided outside the United States, but he did explain that the men would receive \$4,500 a month, plus bonuses. He told them to fly to Washington several days later and he gave each man several \$100 bills.

Investigators later determined that Mr. Loomis had approached Mr. Thompson shortly after being dismissed from the C.I.A. for helping Mr. Wilson obtain explosive timers for Libya.

After the meeting, Mr. Thompson said he again called the counterintelligence office at Fort Bragg. He told them of his plans to proceed to Washington and to go abroad from there. "They said to go ahead," recalled Mr. Thompson. Mr. Thompson requested, and was granted, a special leave by his commanding officer.

Reports They Went to Zurich

In Washington, on July 25, Mr. Thompson and three former Green Berets were given travel documents, \$1,000 in cash, airplane tickets to Zurich via New York, and a description of a man who would meet them at the Zurich airport. "We were told to stay in the international zone and not to go through customs in Zurich," Mr. Thompson said.

He added: "We had our war bags packed in a 400-pound locker, everything we figured we might need for a direct action mission."

The man waiting in Zurich was identified as Mr. Wilson. After introductions, Mr. Thompson ran through a list of

questions he had prepared. "As leader of the group, I wanted answers to several key questions," he said. "I wanted to know who exactly we were working for, what the terms of our contract would be, what arrangements had been made for health care, and what escape and evasion plans had been prepared."

According to Mr. Thompson, Mr. Wilson told the men they would be working for him. He did not elaborate. He also told them they would be going to Libya where they should make themselves

"indispensable." Mr. Thompson said that they assumed that Mr. Wilson's meant that through being indispensable they would gain intelligence information useful to the United States. Health care, if necessary, would be provided at the best hospitals in Europe, and insurance coverage for the men would be \$250,000 for loss of life and \$125,000 for loss of limb.

Contract Not Necessary

No contract was necessary, Mr. Wil-

son said, because neither party was likely to walk away from the project. "If I welsh, you'd kill me," Mr. Thompson said that Mr. Wilson had asserted, "and if you welsh, I'll kill you."

Mr. Wilson was reported to have said the payment would be \$6,500 per month, payable in any currency the men wanted. He also offered to set up Swiss bank accounts for the men, according to Federal investigators.

From Zurich, the four men flew to Tripoli, Mr. Thompson said, where they were greeted by a representative from the Delex International Corporation, a Virginia company owned by Mr. Wilson. They were escorted out of the airport without a customs check, the account continues, and taken to a military compound where they met the chief of Libyan intelligence, Abdul Senussi.

"He wanted to know if we could sup-

ply a gas that would subdue 800 men for several hours in a desert environment," Mr. Thompson said. "We told him that there was no such agent. He then wanted to know all about the principles of land warfare, things like vertical envelopment and the elements of surprise."

When the session ended, the former sergeant said, the Americans were driven to the Beach Hotel, where Douglas M. Schlacter, a friend and business associate of Mr. Wilson, told them to relax. Mr. Schlacter is under Federal investigation on charges of involvement in illegally exporting explosives to Libya. He is believed to be living in Africa.

They See Explosives Laboratory

About a week after their arrival in Tripoli, in the first week in August, Mr. Thompson said, the Americans were taken to a palace outside Tripoli where they were shown an explosives laboratory.

The investigators later determined that Mr. Wilson had hired another group of Americans with expertise in explosives and had taken them to Tripoli to manufacture terrorist bombs. The investigation of this operation led to the indictment of Mr. Wilson and two others last year.

After touring the explosives shop, Mr. Thompson said, he and his colleagues were told to prepare a training course for Libyan commandos.

By this point, Mr. Thompson said, he was seriously concerned about the mission. "I know the agency does bizarre things," he said, "but working for Libyan intelligence was too much."

He decided he must return to the United States and tell the Special Forces about his misgivings.

Leaving his companions behind, Mr. Thompson returned. When he reached Fort Bragg, early in September, his superiors told him that the Federal Bureau of Investigation, having been notified by military intelligence, was investigating the Libyan operation. Mr. Thompson was told to cooperate with

the investigation.

Requests for Supplies

While he was doing so, he said, several requests arrived from Tripoli for supplies. Mr. Thompson told the military intelligence authorities, he said, and was instructed to ship the requested goods, which included training manuals and combat boots. The materials went during September and October.

After this, Mr. Thompson said, "I got a call from the guys I knew in counterintelligence. They told me it wasn't an Agency operation after all. At that point, I didn't know what the hell was happening."

Mr. Thompson eventually severed his connections to Mr. Wilson, but a half-dozen other retired Green Berets went to Libya to train terrorists after his return to Fort Bragg. It is not clear what they thought the operation was supposed to be or whom they thought was sponsoring it. Federal investigators believe that several may still be in Libya working for Mr. Wilson.

A major unresolved question is how the counterintelligence officers at Fort Bragg decided that the mission was legitimate when Mr. Thompson first spoke to them.

Several Federal investigators said they believed that Mr. Wilson might have secured unofficial approval from friends who held senior positions in the clandestine services of Central Intelligence. In return, according to this unconfirmed theory, the agency would benefit from intelligence collected by the Americans working in Libya.

"Whatever happened, it's a sorry episode," one senior Justice Department official said. Mr. Thompson, for his part, says he lives on "full alert," concerned that death threats he has received since he left Libya may become a reality.