

Reflections of a Super-Mare

The prospect is not good—for the war on drugs, or the republic

By Frank Browning

Wallace Shanley does not speak of himself as a tragic man. Only his friends and colleagues do.

He prefers to talk about entering a new life at the threshold of his Golden Years. Fishing for Brook Trout in Shenandoah. Buying a farm in Tennessee. Moose hunting in Minnesota where he grew up. He is a great, broad-shouldered, lumbering man, a man who seems out of place in the city, ambling down the street, as though his shoes were tied too tight. Getting out of the city after 25 years of Government may be good for him. But his friends wonder.

Until two years ago, Wally Shanley led a very different kind of life. His work was

adventurous, reflective, and shared by no more than a dozen people in the world. Wally Shanley was in 1973 one of the few successful, arch-strategists in the international struggle against heroin.

Shanley retired July 25 from an undefined advisory post in the U.S. Customs Service, the agency where he spent most of his working life. He departed midstream from one of the year's least known and most important debates—the Senate rack-ets committee's probe into corruption and

Frank Browning is a free lance writer and a former editor of Ramparts Magazine whose most recent book, The Vanishing Land, Corporate Theft of America's Soil, was published by Harper Colophon Books.

Collage by Allen Appel, photograph of Wallace Shanley by Charles Del Vecchio.

incompetence at the U.S. Drug Enforcement Administration.

That investigation, which dropped quietly and inexplicably from sight after only a third of the proposed witnesses testified, unleashed fierce struggles between DEA and the Customs Service (variously housed in the Departments of Justice and Treasury). Eighteen months after its July 1, 1973 opening, DEA found itself confronted with two dozen serious unresolved "integrity" cases, several of them against the agency's top management.

Items under examination ranged from an alleged coverup of a DEA executive's involvement with known, convicted underworld figures; several instances of missing narcotics "buy" money; alleged acceptance of bribes by DEA field men, and large numbers of "informant" deaths in certain DEA regions. Most important to the Senate was DEA's response to a recurrence of major heroin trafficking into the U.S., a problem which seemed to be declining in 1972 but which by 1975 was clearly re-emerging.

At the center of the investigation into DEA stood Wallace Shanley, a quiet bureaucrat whose rise to the top of Customs had made him an internationally recognized narcotics cop. He had even been sent to DEA with a fancy title when the new agency took over Customs' narcotics responsibilities. Yet after 17 months at DEA, in a big but ill-defined job called Director of Special Projects, Shanley determined that this new federal drug bureaucracy posed a greater immediate threat to America than the traffickers it was supposed to

be chasing. So he quit DEA and returned to Customs where during the several months before his retirement he devoted most of his time to forcing a public review of the entire policy and practice of federal narcotics enforcement.

At Customs, just before his retirement, Shanley seemed to float between three floors, borrowing secretaries, taking any desk which might be available, providing free consultation throughout the building. For one of the world's great "narcs," he projected little of the tough, cunning cop one might have expected.

Quite the contrary, the only distinctive thing about Shanley was his size, well over six feet, bulky, with a rather fleshy face. The rest—gray suit, plain tie, gray Army model glasses, recently trimmed graying hair—might have described any of 10,000 other almost-retired Washington bureaucrats. A few pencils, well-sharpened, rested on his desk alongside a half dozen sheets of paper. Two diagrammed poster boards lay against the wall near the window. Behind his desk hung the regular-issue green blackboard, and behind the door in a corner hung a regular-issue portrait of Gerald Ford, the President.

"The first thing I have to insist on is that you get all this Kojak bulls— out of your head. And, well," he studied his leathery hands, "I know you press people, all you want is action and adventure. But, um . . ." He paused again, leaning forward. "It's really not like that, not when you're serious about narcotics. So I put together some background . . ."

Continued on page 26

SHANLEY, from page 15

Shanley's backgrounding could have been a summer shortcourse in the sociology, economics, aesthetics, geography, politics, history, and literature of smuggling as traced through the writings of Lucretius, Cato, Thomas Aquinas, John Locke, Leo Tolstoy, Herman Melville, Adam Smith, Fyodor Dostoyevsky, sundry anonymous authors of Congressional hearings, a half dozen popular journalists, and Wallace Shanley. For three days Shanley took over conference rooms at Customs, he lecturing, I studying, tables full of maps, charts, lists of key heroin traffickers, diagrams of international smuggling systems, plus piles of recent studies and news stories about the current workings of the junk business.

Shanley was selling a point of view, a theory and technique of law enforcement. He was, alternatively, author, lecturer, warrior-raconteur, cop and philosopher.

His passion was smuggling, not just drug smuggling, though that was his primary topic, but the illegal movement of any salable commodity: gold, diamonds, currency, guns, even rare species of South American parrots. It made no difference. As his subject changed, so did his tone, his movement, his choice of language, from the tale-spinning precinct cop to the careful sociologist, attentive for any detail which might explain the structure of a complete smuggling network.

To this third generation Minnesota-Irish farmboy, the individuals named on the smuggling charts were not faceless rogues and villains. They were clever international businessmen, men who moved beneath the shadow of intrigue, yet powerful men, who tread the side-

walks of the world's great cities managing financial empires worthy of any Wall Street stock broker. They were men like Auguste Joseph Ricord, a French Corsican who in the late sixties was the virtual chairman of the board for South America's flourishing heroin network, a man also captured by Shanley's team at Customs. They were men who deserved top billing with the bankers and industrialists of New York,

Continued on page 30

SHANLEY, from page 26

London, Paris or Tokyo. Like most great business executives, the directors of international smuggling were seldom found close to the actual products they controlled—hence, Shanley would argue, the gross stupidity of DEA dispatching armies of undercover agents into the streets to catch these men in the act.

Wally Shanley's criminal opponents also demanded and deserved respect. Only through respect for their brains and their style, plus an appreciation for the world of bigtime smuggling, could law enforcement have any hope of controlling them. Moreover, for a smart kid from the country, these grand masters of smuggling provided a special vantage point onto many of the great political arenas of the last quarter century, places like Miami, Saigon, Hong Kong, Buenos Aires where politics and crime were as interdependent as heroin and hypodermics.

Shanley's Customs career began in 1950 at San Antonio, Texas as an airport inspector sifting through suitcases and hatboxes. He had gone to Texas from the upper prairies of

Minnesota where he had seen the Depression grind his farmer father into defeat. To go to work for the Customs Service was to join that rare and honorable body of citizens known as civil servants. He had been reared strictly, by a driving, ambitious mother and by a soft-spoken rather philosophical father, both of whom he remembers as possessed by untouchable integrity. There was in his family neither ridicule nor skepticism for men who joined the police, and in going to Customs he was not becoming just an ordinary cop.

As Shanley retells his stories, it is the smugglers who take on stature as his most profound educators. "Smugglers," he says, "have been some of the greatest people in the history of the world." Probably the smugglers who most deeply affected Shanley were the gold and diamond operators in New York during the early Fifties. New York was his first assignment after San Antonio; diamond smuggling was his first investigation.

"I was a young agent on the rackets squad, and I found myself in a really strange position. We were on to the trail

of a few big diamond dealers. They were handling tens of thousands of dollars which back then was big money. Except the people that seemed to turn up calling the shots didn't make any sense. We kept coming back to this incredibly respectable board of overseers in a New York synagogue. And the subjects were always these Hasidic Jews.

"A thing like that's got to upset a green kid from the Midwest. I'd hardly heard of anti-Semitism, so it didn't even occur to me to respond that way. I just couldn't figure what these strict, devoutly religious guys were doing, showing up as culprits in a diamond racket. So I started to read some history. I found out how during the Spanish Inquisition or the pogroms so many Jews had been disenfranchised, and forced to reduce their capital to something small and easily concealed, and how they trained a few people to specialize in smuggling.

"I realized too how smuggling had fascinated so many great minds, how our basic weapons in the American Revolution were smuggled in from France. You see that smuggling is one of the first actions of a people seeking their own independence—just like with these Hasidic diamond smugglers. You could see in them generations of distrust in government and authority, people working in areas where they were not able to turn to the constituted law. What we also learned about these guys was that they did work under certain quasi-legal procedures, and those procedures were established and watched over by the most important man in the synagogue. None of them were dirty common thieves. They were fine people who had learned through history how to protect themselves for survival. I'd have to admit, even though I was a

Customs officer, that smuggling had several fine aspects."

Shanley describes himself as a man, and a cop, uncontrollably driven into continuous re-evaluation of his life. He offers familiar homilies to characterize his choice and handling of assignments, summarizing flatly that most times he behaved "like the old moth that can't help flying into the flame." A schedule of his Customs assignments reveals just such a centrifugal

Continued on page 32

career, the life pattern of a man who landed in one criminal crucible after another, from the Brooklyn and Manhattan rackets of the early 50s, to the exiled Cuban rum-runners in Miami during the late 50s and early 60s, to the highlevel gold and heroin smugglers of Vietnam during the late 60s, to this final struggle over control of a drug bureaucracy founded by the wunderkinder of Watergate.

Shanley's antagonists grew inevitably into his obsessions, and his obsessions became the material of his own self analysis. "Of course I don't think it's any accident I landed in all those places," he says, though still he has no clear idea about why he made the decisions he did. As much as anything his stories of past exploits betray a chessman's fascination with the personal and operational dynamics of his criminal opponents. In his tales there is always a robust sense of theatre, drama shaped not only by the unwinding events of his cases, but shaped also by a personal code of ethics. Central to those ethics is a surprising respect, even admiration, for the integrity

of the criminal smugglers. Seldom is there any sense of the cop's vendetta, the compulsion to nab the crook regardless of the means employed.

When he was sent to Miami, Shanley found himself thrown into the center of Cuban exile activity. Recent revelations about CIA financing of anti-Castro assassination squads were then the grist of daily work. Guns, politics, dope were all intricately intertwined, and the intentions of the U.S. government anything but clear. There were among the Miami Cubans many rich and powerful former officials and businessmen from the pre-Castro regime. But most were poor, lost, confused, ready to follow anyone who seemed to have a plan. By the 60s the Consulate of the Dominican Republic had become the center of anti-Castro agitation.

"We had heard all these stories about a Cuban invasion, but they didn't move me much until one day I walked this guy I'd arrested years before for smuggling pistols to Batista. The most unlikely guy you could imagine, a short little fellow from Jersey City named Leonard Trento.

He had a corner butcher shop up there, and he'd married a Cuban woman who I guess kept firing him up for these adventures.

"Leonard wanted to go out for coffee. He probably trusted me because we'd gone easy on him before. So I went. Must have been two hours we sat there in Howard Johnson's, just talking—I didn't know about what. Finally his lawyer—he'd brought a lawyer with him—leaves, Leonard leans across the plastic table, drops his voice, and he starts giving me this pitch about how there's a well financed movement for Batista's generals to invade Cuba and throw Fidel out. All they've got to do is get about \$5 million worth of guns they can take back to the Dominican Republic for staging operations.

"Except you see," Shanley continued, "I'm still not getting his message. Finally he reaches into his pocket and pulls out a roll of hundreds. 'Wally,' he says, 'we can't make it unless I get your cooperation.'" Trento had come to pay Shanley off so the Cubans and the Dominicans could beat Customs' scrutiny in smuggling the guns out of

Miami. But the bid had failed.

"That was the last I saw of Leonard Trento until summer. But there were signs all over that our talk had been for real. The papers were full of speeches, announcements for special meetings. Most important I got word that a cop over in Miami Beach wanted to see me. Name was Joe Liquori, a nice guy, handsome Italian fellow who was assigned to bodyguard Trujillo every time he came to town. They trusted him, respected his ability. They'd even given him money to go out and buy equipment—appliances, furniture, TVs—for the consulate. Joe talked to me for a long time. He wanted to convert me, pull me into the operation with the Cubans and the Dominicans. He talked about how big it was, how many people were involved and how it was time I got 'with it.' He even arranged an appointment for me and my partner over at the consulate. When we got there I couldn't believe it. The place was run like a Speakeasy, even had code words to get in. Guns were all over the place, guys marching around with shoulder holsters. It looked like a

god-damned intrigue center for half the Caribbean."

The deal they offered Shanley at the consulate was 10 per cent of the value of the munitions—or almost half a million dollars. All Shanley had to do was make sure there was no trouble on the loading docks at the airport. Trento, who had flown around the country with million dollar signs painted all over him, had even attracted a couple of racketeers from Cleveland. They had offered to sell the Cubans what was then the world's largest airplane—an old C-74 prop plane that stood seven stories high.

The whole operation was to come together at Miami International. Shanley and his partner told the Dominicans to cut them in. Shanley even allowed some of the guns to be stored overnight in his garage. Then the big day arrived.

"There we were, standing out on the tarmac. Joe, me, these eleven Cubans, the crew.

Dominic Bartone, the hood from Cleveland, had just stepped over to the hangar for a cup of coffee. It was time to push the button on

survive, and the entire federal drug enforcement apparatus was housed, without Congressional debate, under the solitary control of the Attorney General of the Justice Department.

Wally Shanley exudes an air of almost Victorian prudence when he tells people how law enforcement ought to work in America. He has extensively researched the rise of 19th century English police systems. He does not hesitate to say that the tradition of the English bobby most nearly approaches his model of what a cop should be. If there is one word that recurs consistently in his recollection of "the Customs approach" it is that he and his men acted in a *gentlemanly* manner to enforce the law. They were not, and were not intended, to handle themselves like "alley cats"—the term narcotics bureau officials have historically used to describe their men. At DEA and the old Federal Bureau of Narcotics, the alley cats were trained to survive in the gutter in order to insinuate themselves into the crime. Shanley offers quaint, rather puritanical description of the differences between the alleycats and the gentlemen: "It is, he suggests, like the aesthetic difference between a 'ghetto hovel' and 'the clean straight lines of the Washington monument.'"

Beneath that homespun, rather self-justifying romance, there is also a philosophical distinction. More important to Shanley than compiling a dossier of case corruption at DEA was the exploration of a "philosophical perversion" in American law enforcement.

"Look," he told me. "There

are only two ways you can catch drug runners. One is by treating them as smugglers. Catching them at the border where the Constitution says we've got a right to search them and even to continue investigating them if there is evidence to suspect them of smuggling. The other is to send a lot of men out undercover to participate in the crime. Legally they might not call that entrapment, but what else does it amount to? What's worse, it means you're setting up a kind of federal se-

cret police. The forefathers who wrote the Constitution had very clear ideas on this police business. They said the federal government was not to be involved in police work except at the threshold of the country. That's the borders.

"Law enforcement right now, and for the last several years, has been in a self-destruct pattern. We're going to Hell in a bucket. The cop on the beat—or the federal agent—is perplexed, frustrated. The Constitution says one thing, and he gets orders to do something else. In one agency after another the leadership are making awful examples—I don't think people really ever considered the effect it had in eroding respect for law enforcement to see the head of the FBI actually burning the evidence.

"When you collect all the federal police under one agency—and that's what they're trying to do with the Justice Department—and you turn them all into undercover agents, then something very dangerous has started to happen. The people simply won't respect the police anymore; they'll see them as the enemy. That's what's happened now, and it's all begun to disinte-

grate."

There has been a deep change in Wally Shanley in the last nine months. Then he was an optimistic, if frustrated honcho cop. He spoke hopefully about how Congress was going to straighten this "terrible narcotics problem." Today he is more bitter. He is rereading Tom Paine's tracts from early revolutionary America. And he seems deeply troubled about how far law enforcement has moved from enforcement of the citizens' rights of a secure and peaceful life.

"Last summer I read a survey taken in England," he said recently. "Over there you know this kind of undercover participation in the crime isn't permitted. They had asked people if they trusted the police, if they respected the police, and if they thought the police were honest. Over 83 per cent said yes to all three. I'm afraid if you ask those questions here, the answers would be very different."

the fork lift.

"It was so easy, you know," Shanley says with a laugh. "I just turned to Joe Liquori and said, 'I'm sorry Joe, sorry guys, but it's all over. I was just playing.' Then the cars and paddy wagons screeched in from eight directions. Poor Dominic, sitting over there with his cup of coffee. He just couldn't believe it."

Relish for the well-orchestrated cooperative effort is central to most of the Shanley war stories. He says he was never ashamed to call himself a cop. He is no less a law and order man than Los Angeles' famed Chief Ed Davis or Philadelphia's Frank Rizzo, or for that matter the PR men from DEA. He believes that if cocaine and marijuana are illegal, then people who sell them should be prosecuted. What bothers him, however, are the uses to which police have been put, the ends which they serve, the interests they represent.

"You know that famous line of Tolstoy's—that the job of all police is to protect the vested interests. Well it was easy to see in Vietnam. Most of the biggest drug smugglers who got off were tied to one of the power families in Sai-

gon. Over there, politics and corruption were both more obscure and more obvious. You couldn't imagine all the subtle connections that held the generals, the politicians, and the drug runners together. And yet everybody knew the fact of it, they knew that money and power controlled the police.

"I wonder if it's any different here. I knew when I worked at DEA where the skeletons were, maybe not all the little details, but who the people were who had taken favors, covered up, or rolled a little too deep in the mud. The feeling over there was hardly different at all from what I found in Saigon in 1967 as head of the Customs advisory team. There we came to rely on a handful of honest agents who really did their work in spite of the system. It was practically the only touch of honesty in that government. One of the men was named Tung.

"Tung called me one summer afternoon. He was all excited but he wouldn't tell me why. He insisted I do what he asked. 'You come with me, OK?' he asked. 'I pick you up five minutes. You know later.' In five minutes he pulled

up in his jeep, and for the next three miles we drove like madmen through the tiny streets and snarled traffic until the jeep squealed to a stop right in front of the District police station in Cholon. There, across the street was a three or four story building completely laid out as an opium den, individual rooms furnished with no more than a single wooden bed, a hard pillow, and a hooka.

"On the front steps of the building stood the Saigon police, who then were controlled by General Ky's men. They brandished their carbines, gave us deadly stares. Inside were a half dozen Vietnamese Customs agents who had stood guard over 200 kilos of opium. And they were surrounded by 20 'white mice' as the Saigon cops were called. The cops were demanding the Customs agents leave. But Tung was able to turn the tables on them by laying responsibility onto me. He simply motioned toward me helplessly, declaring, 'Is American. He make us come. We have to take.'"

By day's end, however, Ky's own men in the Customs service had taken back possession of the opium. Neither

Shanley nor Tung ever saw it again. Moreover, the opium which they had found was packaged in large bags marked identically to another 1400 kilos of "cargo" which had been discovered aboard the 33rd Air Wing of the Vietnam Air Force, headed by Ky. Attempts by Vietnamese Customs agents to search that cargo were also blocked directly by the chief of the Saigon police.

To have worked Saigon in the late Sixties was for Shanley something akin to being a Yankee agent in the Parisian courts of pre-revolutionary France.

A young man who only came to know Shanley during the last year's convulsive battles over DEA stood talking one day with an older Customs agent who had spent years working around Shanley. The young man was eager for lore about his retiring hero.

"Look, fighting . . . all those corrupt generals over there, that's not so different from coming to work in

Washington every day. Why does a guy always end up in some tight situation? Maybe because those are the only interesting situations to be in. But don't have any illusions about how sweet and pure it is over here. You remember last Spring. (Several) guys in DEA beneath the Director turned out to be under internal investigation for corruption or incompetence; and what happened? They moved 'em around a little, and one guy retired. So how can we complain about all these rich Viets running around on the millions they made selling dope?"

Shanley is an angry man today. He is angry that after having spent 30 years pursuing smugglers—especially narcotics smugglers—all around the world, the one agency with demonstrated success now has its hands tied behind its back. That is the anger that drove him to leave DEA and work toward public investigatory hearings into the entire complex of federal narcotics enforcement. He had hoped these hearings, dropped by

Permanent Investigations Subcommittee chairman Sen. Henry Jackson midway through staff preparation, would examine the alternative law enforcement techniques employed by DEA and Customs. During the planning stages for the hearings, the committee staff had considered enforcement technique the most critical part of their hearings, an issue far more important than uncovering individual cases of corruption.

Wally Shanley also hoped Sen. Jackson's committee would examine that strange sequence of events which led to the establishment of DEA two and one-half years ago. For it was exactly three years ago, 1972, that Shanley and his team of narcotics agents at Customs were cashing in big on their war against heroin smuggling. Customs' record in catching the internationally recognized heroin kingpins was striking. From 1970 to 1973 there were more major arrests and seizures of pure heroin than at any time in the previous thirty years. In 1971, Customs seized over 1000 pounds of heroin. The surviving executives of the French and Latin syndicates were

forced to reorganize the entire routing of international heroin smuggling.

Old reliable routes between Marseilles and the upper East Coast, rendered glamorous by the recurring movie exploits of Gene Hackman in "French Connection I and II," were largely abandoned in the late Sixties.

Instead heroin was airlifted to Florida, New Orleans, Montreal or New York from South America where the French Corsicans had established a new safer distribution system. From South America, the traffickers were also able to maneuver for control in the growing cocaine market. It was Shanley's team at Customs in the early '70s which discovered the new international routes through South America and arrested most of the ringleaders.

By 1973 the heroin trade was severely hurt. The remaining traffickers were driven to hideouts in Mexico and Central America, their distribution syndicate crushed at its source.

But in 1973 President Nixon and his draftsman Egil Krogh decided to pull the

U.S. Customs Service out of drug enforcement. Using the privileges of "executive reorganization" provided a President in the first six months of his term, Nixon completely disassembled the Federal drug effort. A workable, if competitive, alliance had developed between Shanley's men at Customs and the mostly domestic Bureau of Narcotics and Dangerous Drugs. Reversing 184 years of law and tradition, the Customs Service was suddenly excluded from any smuggling investigations.

Krogh, with an assist from

such notables as E. Howard Hunt and Gordon Liddy, conceived the structure and scope of a plan to consolidate three other drug agencies plus Customs into a new drug empire which would be called the Drug Enforcement Administration. To lead the new super organization, Nixon selected Myles Ambrose, who two years before had been named to the new Office of Drug Abuse Law Enforcement (ODALE).

ODALE is best remembered for its doorsmashing 1972 raids on innocent citizens in a residential neighbor-

hood of Collinsville, Ill. By seasoned observers of law enforcement, ODALE is even better remembered as the first Federal agency that ever sent its men into the streets undercover to build low grade dope cases against corner junkies. ODALE agents worked along side local police departments, infiltrating colonies of drug users and maintaining surveillance upon them.

By forming DEA, however, the second Nixon Administration would win an unparalleled bonus. From ODALE it would get a massive national network of neighborhood-level

el undercover agents. But from Customs it would get a new and wondrous power held only by Customs since the framing of the Constitution. That power was immunity from the Fourth Amendment whereby Customs was permitted the right of complete search and seizure against citizens without a court order. That power was granted Customs in 1789 as a border control agency and explicitly denied all other government agencies. But by giving to DEA Customs' responsibility for catching drug smugglers, Nixon saw a way to give every federal narcotics agent in the country, regard-

less of station, the right of unlimited search. Not even no-knock could match that scheme.

Fortunately, this, like many later Nixon schemes, never bore full fruit. Customs lost its narcotics smuggling authority but it fought successfully to keep the new legions at DEA from receiving blanket "cross designation" (the legal terpsichore whereby the drug agents would have search and seizure power as the specially designated "Customs" agents).

However, the basic reorganization scheme did