

they derisively call in the USA 'vocational school' or 'junior college.' Thus, one American engineer might prove as useful as three or four Soviet ones. Anyway, again I apologize. Indeed, this is one part of the booklet that, counterintelligence sources inform us, has provoked loud tittering among some readers.

"We also have, in this section, our customary bit of nonsense about the growing momentum of the laser-beam program. I had no objections to putting it in. It does capture the imagination

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and, therefore, boost morale. But it was basically added in deference to General Trebennikov, who is particularly obsessed with this. I might point out one sentence that I added to this part: 'The Soviet laser-beam weapons program began in about the mid-1960s.' Fifteen years ago, comrades. We are still at work. We must continue working on this, to keep up with the Americans; but I regret to say that we have not progressed far. The physics of it is very difficult.

"THAT JUST ABOUT COVERS the major portions of the booklet. Now let me tell you a few things that we dare not recognize officially in a booklet of this sort. Many of the General Officers know these facts all too well, and it would only dampen morale further—the exact opposite of the purpose of this booklet—to have them confirmed in writing by the Ministry of Defense.

"First, our soldiers get very poor training. The exercises in the field—I have seen them myself—are frequently rehearsed months in advance and fail to simulate a realistic battle. Our troops lack flexibility, they go strictly 'by the book.' If a real war were to deviate from this stereotyped course of action, I think we would be in serious trouble.

"The same is true, but more so, with our air forces. They get only half as many flight hours as their American

counterparts, they are not nearly so skilled, and, in combat exercises, they are continuously controlled by officers on the ground, so that they have no practice taking initiative in such things as air-to-air 'dogfight' combat.

"One reason why we do not train our men so well is that, as you know, we do not want to give our lower-ranked officers too much initiative. They are unreliable, they might defect (many of them have, I needn't remind you); they must be under firm control always. However, from a strictly military point of view, we must recognize that this creates problems on the battlefield.

"Another reason is that we have, frankly, long underfunded operations and maintenance. You must understand why. We can't afford to let too much equipment break down because we can't afford to fix it. When things do break down, we usually throw them away. Too much training means too much equipment being used at once, which means too much equipment breaking down at once. Such constant failure could reduce the trust that the soldier learns to place in his weapon. That would reduce the morale of officers and conscripts to horrifying depths.

"Comrades, there is another reason why we must not relax our vigilance. I know this is a sensitive topic, but it must be broached. Economic pressures are great. I know that some on the Central Committee would like to spend more rubles for items that pamper the 'consumer,' just as they do in the decadent West. But there can be no 'consumer satisfaction' at all without the strongest of defenses. The booklet I have been talking about in this memorandum, I must stress again, is merely *domestic propaganda*. Aside from the considerable weaknesses in our armed forces, the reliability of our Warsaw Pact allied governments is diminishing. Poland is an obvious case. Without the active assistance of Poland, the largest of our allies, how could we fight a war in Europe? Who knows what country might begin to teeter next? For three decades, the Soviet Armed Forces have served as an example inside these countries—an example of our readiness to defend them against provocation or invasion from counterrevolutionary forces, an example of Soviet control.

"For the sake of the confidence of wavering political leaders, as well as the survival of socialism, we must not relax our guard.

"/s/ Ustinov, D. F., Marshall of the Soviet Union, Minister of Defense." □

POLITICS

NANCY FEINSTEIN and
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The spies who are out in the cold

DONALD GEISINGER WAS A dedicated employee. He followed orders, worked hard, and never made trouble. The last thing he expected was to be fired. But Geisinger was dumped without warning at age 49 after four years of service to the same company, and today he is even forbidden to tell prospective employers what his skills are.

Donald Geisinger was a professional military intelligence agent, first on active duty with the navy and later as a civilian contract employee with a secret intelligence group that did jobs too sensitive—or too dirty—for the CIA. The secret group was called Task Force 157 and it was run by the navy. The navy now officially denies that the task force ever existed at all, but the pretense is becoming ever more transparent.

Task Force 157 was disbanded in 1977, when Geisinger and about seventy-five other civilian task force employees were abruptly fired following an internal scandal that was kept secret even from most in the spy unit itself. "I moved from Washington, D.C., to New Jersey [for TF 157], Geisinger recalls, "sold my house and all, and assumed my job here. And a month later I'm out of a job . . . so here I sit."

Since the task force was disbanded, most former TF 157 agents have kept a low profile. Some have retired; others have been hired by the State Department, Treasury Department, or major corporations. Still others have used their skills to become international arms dealers and specialists in the export of sensitive military and intelligence technology.

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gy. And then there are those who have been unemployed for the last five years, blaming their idle state on the navy.

Twenty-one former agents, including Geisinger, have overcome the intelligence agent's usual penchant for secrecy and have dragged the navy into an embarrassing showdown before the Merit Systems Protection Board, the government's arbitrator in personnel disputes. Represented by Washington attorney Bernard Fensterwald, the former agents are demanding navy recognition for their work and civil service benefits due them as federal employees. Attorney Fensterwald first submitted claims for federal employee benefits for the twenty-one former agents in January 1979. The Office of Personnel Management rejected the plea on November 9, 1979. Hearings on an appeal began in September 1981, and a decision is expected during late November.

The entire case has been classified secret by the Navy Department and the Merit Systems administrative judge, John McCarthy. Public records have been sealed. And on September 9 one reporter was physically dragged away from the doorway of the hearing room where an appeal was about to begin. "We hear about 10,000 cases each year," said a spokesman for the merit board, "and only one or two are classified. And this one is classified. Now goodbye." He hung up.

The navy's tactics in dealing with its former spies read like a chapter out of *1984*. Agents were instructed to destroy all records of their employment by the navy, including any official passport endorsements and federal credentials. They were to deny that the task force had ever existed. Former employees were even barred from seeing copies of their own employment contracts on the ground that such documents were "classified." Those who had not destroyed their paperwork were later informed by the Naval Intelligence Command that their records were useless anyway; their "appointments [to jobs] had never been properly effected."

BUT TASK FORCE 157 DID exist, and the agents did work for it, in some cases for more than a decade. It was run by naval intelligence out of a ninth-floor office in a high-rise building across the Potomac River from downtown Washington, D.C. According to documents now on file with the Merit Systems Protection Board, TF 157 was a "human-source foreign intelligence unit" staffed by "clandestine intelli-

gence Case Officers." Its tasks ranged from systematic infiltration of international maritime unions to collection of intelligence on Soviet nuclear bomb shipments. According to a *Washington Post* report, TF 157 was involved in almost every major intelligence operation during the last fifteen years, including the bloody overthrow of Salvador Allende's government in Chile and Henry Kissinger's secret trip to Peking in 1971.

Most TF 157 agents worked for front companies of the Naval Intelligence Command. These companies were often "nonexistent corporate entities . . . created by federal officials under the guidance of U.S. Navy auditors," according to former TF 157 agent Gerald Walters. These companies included:

■ *Pierce Morgan Associates*—self-described as both "computer systems consultants" and "maritime consultants";

■ *Aeromarine, Inc.*—a \$15-million per year corporation specializing in international freight handling and sales of sophisticated electronics, aircraft, and arms;

■ *Around World Shipping and Chartering*—a freight forwarding service origi-

plying terrorist training and U.S. arms to Libyan commandos. Both Wilson and Terpil are now fugitives in the Arab world.

Ed Wilson had a desk and his own staff at TF 157 headquarters, according to eyewitnesses. Wilson was a procurement specialist for TF 157, a skill he had earlier perfected as a CIA procurement agent during the Bay of Pigs invasion. His former colleagues say that Wilson's TF 157 assignment was to create a network of corporations to provide cover for sensitive TF 157 purchases and agents. His varied purchases included sophisticated electronic equipment, scuba gear used in smuggling Taiwanese agents into Mainland China, and luxurious gifts and entertainment for maritime union officials and members of Congress.

Some of Wilson's corporations enjoyed exclusive contracts as "laundries" for navy spy money and equipment. It is virtually impossible today to separate Wilson's role as a private entrepreneur from his work as a naval intelligence officer. According to federal officials, Wilson routinely received huge kickbacks from American manufacturers and foreign governments for procurement contracts handled by his private

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and only a few are classified.
This one is classified. Goodbye.'**

nally based in Washington, D.C., and relocated in Houston in the mid-1970s; former employees are under investigation by the Justice Department for their possible role in an illegal shipment of twenty tons of plastique explosive to Libya.

On paper, Donald Geisinger worked for Pierce Morgan. "If I walked in the door every day for four years and the sign on the door said 'Pierce Morgan,' one could surmise I worked for Pierce Morgan . . . but I don't know what they did," he says with a laugh. In reality, Geisinger worked for the navy.

Many such front companies were the creation of a Task Force 157 alumnus who has lately received lavish—and unwanted—publicity. He is Edwin P. Wilson, the former CIA agent recently indicted on ten counts of illegal weapons shipments and conspiracy to commit murder. Wilson and his partner, Frank Terpil, are allegedly responsible for sup-

plying terrorist training and U.S. arms to Libyan commandos. Both Wilson and Terpil are now fugitives in the Arab world.

Wilson has boasted of holding a controlling interest in more than one hundred corporations. Some provided cover employment for TF 157 agents who were paid by the government but who worked full or part time for Wilson. One Wilson/TF 157 company of particular interest is Consultants International, Inc., an import-export consulting firm based in Washington, D.C. Wilson assumed directorship of the company, which had many legitimate corporate clients (Control Data Corporation, for instance), at the same time he was hired by TF 157. The company is believed to have provided cover for several TF 157 agents.

One early director of Consultants International was Robert Keith Gray, an influential Republican party figure who served early this year as co-chair of

Reagan's inaugural committee. Gray now claims that he never knew he was listed in corporate records as a board member of Consultants International. Another director of the firm was W. Byron Sorrell, now a judge of the Washington, D.C., superior court. Wilson also maintained close ties—and some say secretly worked for—Theodore Shackley, assistant to the CIA deputy director. Although Shackley now denies it, eyewitnesses say he provided tacit CIA backing for several Wilson schemes, including export of military and intelligence equipment to Libya through Consultants International.

SOME EVIDENCE INDICATES that TF 157 was itself being used by Wilson and key CIA agents—including Shackley, who in the mid-1970s directed covert operations in East Asia—for far more complex and dangerous political schemes. According to informed sources, millions of dollars in covert naval intelligence money may have flowed through a CIA-backed Australian bank known as Nugan Hand Ltd. ("The friends of Michael Hand," Nov. 24, 1980) where it was used to undermine the Australian Labor Party government of Gough Whitlam in 1975. One of Nugan Hand's leading international representatives was a close associate of Ed Wilson.

It is well known that the CIA covert action directorate feared Whitlam's moderate-left government because of its public criticism of sensitive (and previously secret) CIA communications and electronic intelligence bases in the remote Australian outback. Whitlam's government collapsed in 1975 following a series of financial scandals, embarrassing leaks, and mysterious cables exchanged between Australia's Security Intelligence Organization and CIA headquarters. Australian Governor General Sir John Kerr, who himself had longstanding ties to two groups funded by the CIA, the Congress for Cultural Freedom and Law Asia, sparked the parliamentary showdown that led Kerr to dismiss Whitlam and call new elections. Rumors of a CIA coup have circulated in that country's press ever since.

The first cracks in Wilson's cozy arrangement with the navy started to appear in 1975. Reporter Joe Trento, writing in the Wilmington (Del.) *News-Journal*, charges that Admiral Bobby Ray Inman—then director of naval intelligence and now CIA deputy director—grew suspicious of Wilson after being introduced to him during a 1975 lunch-

con meeting with the powerful chief of the Senate defense appropriations subcommittee, the late John McClellan. McClellan allegedly made it clear to Inman that naval intelligence contracts for office equipment should be channeled through Wilson companies. Inman got the message that if he played along with Wilson, he would have no trouble getting appropriations from McClellan. (Inman and Senator McClellan's aides either refuse to comment or claim that they have "never heard of" Ed Wilson.)

Then, in early spring of 1976, Kevin Mulcahy, a former CIA agent and co-director of a Wilson front company called Intertechnology, Inc., got cold feet when he realized that Wilson—who was still on the navy payroll—was selling machine guns with silencers to Zambia. Mulcahy took his troubles to the FBI and Treasury Department, but was assured that the deal was legal. Shortly thereafter, however, Inman began an investigation of TF 157 in general and of Ed Wilson in particular. Wilson's incestuous business deals began to come to light, and Inman fired him from the Task Force in April 1976. But TF 157—along with other sensitive military intelligence operations—continued to trade through Wilson's companies. The task force, it seems, had become as dependent on Wilson's services as Wilson was on the task force's contracts.

But the heat was on. In the summer of 1976, three Cuban ex-CIA agents surfaced within the intelligence community with a report that Wilson had approached them to murder Libyan exile Umar Abdullah Mehaishi, a prominent opponent of Libyan leader Muammar el-Qaddafi. Then in September of the same year, Chilean exile leader Orlando Letelier was blown up on the streets of Washington, D.C., by a bomb detonated with a sophisticated fuse of the type that Wilson had been supplying both to naval intelligence and Qaddafi. Police and the press wanted to know where Wilson had gotten his fuses and to whom he had been selling them. Although Wilson's relationship—if any—to the Letelier assassination has never been established, it was clear to Inman that too many people were asking too many questions about Wilson.

Soon, Inman ordered the complete disbandment of TF 157, claiming that it had produced little useful information. Sources close to the Task Force, however, say that the spy unit had become "too hot to handle."

Some TF 157 agents went into business with Wilson and his partner, former

CIA agent Frank Terpil, shortly after being dumped by the navy. W. Don Randol, for example, once a TF 157 contract employee, helped Terpil establish yet another shadowy company, known as Oceanic International, Inc., in 1977. Oceanic was later used as a corporate front for a bungled attempt by Terpil to

More than one former TF 157 agent has threatened to take the matter to the press.

sell 10,000 machine guns to undercover FBI agents posing as Latin American revolutionaries. When asked by a reporter for a comment on TF 157, Randol replied with a snarl that the press had "better lay the hell off it."

Today, the navy finds itself in a difficult position. More than one former agent has not-so-subtly threatened to take the whole matter to the press, if the navy refuses to grant the former agents the civil service benefits they claim. If the navy gives in, on the other hand, it might be forced to admit that the companies established by Ed Wilson at its own behest have been used for arms dealing and possibly for political assassinations as well. Furthermore, several important covert navy assets that are still operating—such as Aeromaritime—would be officially exposed.

For many unemployed agents, who idealize their former role in TF 157 and bitterly resent their treatment since 1977, the navy's predicament is nothing to shed tears over. "It was a great group of guys," says one. "Very dedicated. Worked six, seven days a week, twenty-four hours a day when we had to. And some of our stuff was important. Some of it went right to the White House, I know that for a fact.

"And then all of a sudden we were thrown out of work. And because of security reasons . . . we're not allowed to say what we've been doing for the past ten years.

"So you write a resume—what are you going to say? You're going to have a cock and bull story, really, that no one is going to buy.

"When you're not expecting to get discharged and it comes out of the clear blue . . . well, you get bitter. I think that most did." □