

**The Washington Merry-Go-Round****U.S. Ponders Gold Treasure Claim**

By Jack Anderson

A desert stash of old Mexican gold ingots worth tens of millions of dollars has been reported to skeptical authorities who fear it may be a hoax.

The king's ransom in ancient bullion and Aztec-era artifacts were described to lawyer F. Lee Bailey by a mysterious middleman three months ago. He told Bailey the gold had been carted north perhaps hundreds of years ago and hidden in a cave on what is now the White Sands Missile Range in New Mexico.

Now the gold had been rediscovered, claimed the middleman. He was authorized by a consortium, he said to try through Bailey to gain legal possession to the treasure.

The middleman, a business executive, said the consortium would deliver the gold to the government. The consortium promised to pay taxes on the tons of gold, which might come to 50 per cent of its value, and sell the rest for their own profit.

If this "treasure of the Sierra Madre" turned out to be stolen and the rightful owners established a valid claim, then the consortium would agree to give up the entire trove.

Skeptical, Bailey flew secretly in his jet to El Paso, Texas, supposedly near where the cache is located. But once he met with his new clients, they thwarted his effort to

visit the treasure cave.

They feared Bailey's entry to the White Sands government reservation might be an illegal act which, because he was their lawyer, would jeopardize their case.

Bailey took his story to Tod Hullin, a White House aide, who wanted some proof of the tale. Obliging, Bailey's clients sent him a gleaming gold-colored bar about 3½ inches long, and promised him hundreds more to prove to the government their offer was no hoax. With this in hand, Bailey was referred to the Treasury Department.

Treasury experts assayed the bar at 60 per cent pure, much less than is possible with modern refining. But some ancient ingots had this low gold content. The bar, at least, was no hoax.

But the talks have bogged down. Treasury officials reasoned that if there were gold on White Sands, then it belonged to the government. Under international agreements, the gold could not be used in world trade or sold by the Treasury for hard cash.

As one official told us, "there was all this secrecy and tedium about the deal. Besides, it's an unbelievable story." On May 17, the Treasury Department returned the ingot and told Bailey in a brusque private letter that

"the Treasury has no interest in proceeding further with this matter."

Bailey has had no more success with the Army, which controls entry to White Sands. Army Installations Deputy George Brazier told us that missile research is going on every time somebody comes to us with a gold gleam in his eye." Numerous similar stories are brought to the Army and so far no one has produced gold, he said.

Bailey, meanwhile, argues that the government has nothing to lose by making a deal. And, he points out, the only way to find out whether the gold treasure is a hoax is for someone to snip through the red tape.

**Washington Whirl**

**Glorifying Weinberger**—The Department of Health, Education, and Welfare is hiring new hands to glorify Secretary Caspar Weinberger even as he slices deeply into the services for the poor and sick. In recent months, HEW has hired Scott Peters, a former public affairs man from the Committee for the Re-election of the President, plus other publicity consultants at \$138, \$120 and \$100 a day. The hirings came even as Weinberger fired or transferred several public affairs officers who were not certified Republicans.

**Indian Timber**—We recently

described how the Agriculture Department is trying to chop down 11.8 billion board feet of our national forests without taking proper fire precautions. Now, we can report from Interior Department documents that millions of board feet will also be slashed from forests under its control. Not surprisingly, Interior would like to increase cutting on Indian lands by 105 million board feet a year. One internal document points out the Indians' timber should not be cut without "intensifying fire protection capabilities." While the various tribes own the timber lands, negotiations are generally handled by the Bureau of Indian Affairs, which usually favors the timber barons over the Indians.

**Navy Shuffle**—The Navy tried to transfer two highly trained petty officers out of the country in the middle of their federal suit against the Navy. The petty officers, Nicholas Larionoff and Paul Boudreau, sued the Navy, claiming they were bilked of promised re-enlistment bonuses totaling between \$2,800 and \$3,400. The Navy contested the case but, meanwhile, ordered Larionoff to Iceland and Boudreau to Puerto Rico where their suit would be difficult to press. After our query to the Navy, both transfers were postponed.