

WXPPost ^{CIA} FEB. 9, 1975
**U.S. Firm
To Train
Saudis**

**LA Company
To Aid Guards
For Oil Fields**

By Peter Arnett

LOS ANGELES, Feb. 8 (AP)—Several hundred former U.S. special forces soldiers and other retired Vietnam war veterans are being recruited by a private American contractor to train Saudi Arabian troops to protect oil fields.

The \$77 million U.S. Defense Department contract, awarded to the Vinnell Corp. of Los Angeles in January, is the first ever given to a private American company to train a foreign army, the company said.

Private concerns have often handled logistics and maintenance chores of armed forces of the United States and friendly foreign governments. But showing foreign troops how to fire their weapons and fight wars has been the mission of U.S. military advisory teams, most recently in Southeast Asia.

The troops to be trained over the next three years by a 1,000-man Vinnell Corp. contingent belong to the Saudi Arabian National Guard, the 26,000-man internal security force commanded by King Faisal's half-brother, Prince Abdullah Bin Abdulaziz.

These troops are primarily responsible for guarding the country's oil fields and the petroleum export facilities. They also provide the key bodyguard units for the Saudi Arabian royal family. Their purpose is also to supplement, if necessary, the rapidly modernizing 36,000-man Saudi Arabian regular army.

Beginning in July, Vinnell is to train three newly mechanized infantry battalions of 1,000 men each, as well as a 105-mm howitzer artillery battalion of about equal size.

The U.S. government will provide the military hardware under a \$335 million contract signed with Saudi Arabia in 1974, including Vinnell's fee.

Saudi Arabia will pay the government, which will in turn pay Vinnell.

Vinnell Corp. executives and the American military men so far recruited for the job are sensitive about suggestions that they are organizing what some might consider a mercenary expedition.

"Maybe this contract has come about because the political climate of the day might be against the U.S. military sending such a big team," said Vinnell's general manager for special projects, Bob Montgomery, who returned to Los Angeles Thursday from a visit to Saudi Arabia. "But we are not creating a mercenary force. This is a one-time thing to do a specific job."

A former U.S. Army officer said: "We are not mercenaries because we are not pulling the triggers; we train people to pull triggers."

Another officer laughed and said: "Maybe that makes us executive mercenaries."

See **CONTRACT, A30, Col. 1**

CONTRACT, From A1

The Vinnell contract is part of a vast program under way in Saudi Arabia to spend billions of dollars of oil profits to strengthen the armed forces.

Partly because the Saudis are relying on a Defense Department study of their military requirements, they are buying American-made Northrop F-5E jet fighters, Bell helicopters, Cadillac Gage armored personnel carriers.

Other American firms already in Saudi Arabia on military and related projects are Lockheed Aircraft and Raytheon. AVCO is training and modernizing the coast guard. The 163 military advisers listed at U. S. Military Advisory Headquarters are concerned with the regular Saudi army.

The U. S. Army Materiel Command will establish an office in Saudi Arabia to administer the contract to modernize the National Guard, and Vinnell will report to that command.

The training contract is the first won by Vinnell in the Persian Gulf, but in the past 40 years the corporation has had engineering and construction projects in 50 foreign countries. In South Vietnam it did \$200 million worth of business in 15 years. Vinnell also built Dodger Stadium in Los Angeles and is completing the third stage of the Grand Coulee hydroelectric program.

"We are not a spook outfit," said the president, John F. Hamill, at Vinnell's modest headquarters in Alhambra, a Los Angeles suburb. "We worked hard for this contract."



Associated Press

Vinnell Corp. members James D. Holland, Thomas P. Furey, William G. Walby, and George Gaspard, at Firm's Los Angeles headquarters.

sinking five years of effort in winning the confidence of the Persian Gulf countries."

Vinnell's was one of four proposals considered for the Saudi Arabian guard job. Long before it was awarded the contract Jan. 8, the company began preparations, recruiting Col. William G. Walby as training director last May, three days after he re-fired as commander of the 4th Advanced Individual Training Brigade and Training Command at Ft. Ord, Calif.

"Two years ago we could not have gotten skilled men, but with the big military cut-backs we have plenty wanting to join up," Hamill said.

Two modest advertisements in newspapers serving Ft. Ord and Ft. Carson, Colo., brought 10 applications from retiring soldiers for every available job, he said.

Salaries for most of these recruits from the military will range from \$1,500 to \$1,800 a month on an 18-month contract, with a bonus of \$2,400 at

the end. After 510 days out of the United States, they will get \$20,000 of their income tax free. And in addition, all of these former soldiers have healthy military pensions ranging from \$10,000 to \$14,000 a year. Housing in Saudi Arabia will be provided free, and living expenses are so low that, according to Vinnell executives, a prudent "executive mercenary" could bring home most of his salary.

Vinnell executives were re-

luctant to go into detail on statistics and locations, arguing that the Saudis are sensitive in these areas. Defense Department sources said the Vinnell training camp will be located at Khashm-Al-An, about 15 miles east of the capital of Riyadh and will be an extension of an existing training installation.

The camp will be completed by the end of this year, but Vinnell intends to begin training programs in July this year.

putting through a battalion of troops at a time.

"We have names of hundreds of men both out and nearly out of the Army," said training director Walby, a 49-year-old ramrod-straight veteran of 30 years of Army service. "They are calling up from Ft. Brag [N.C.] and many other places. To select them, we are using the same criteria as picking NCOs [noncommissioned officers] and command officers in the service."