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C.I.A. is Accused by
Rep. McCloskey

Recruits U.S.
Mercenaries for Laos,
He Says

By James M. Naughton
Special to [NYTimes]

Washington, Sept. 28—
Representative Paul N.
McCloskey Jr. of
California said today
that the [CIA] was
recruiting Americans
to become combat
mercenaries in Laos.

"We caught the
C.I.A. a couple of
months ago recruiting
people in Oakland," he
said.

Officials of the
intelligence agency
privately dismissed
the charge.

Mr. McCloskey, a
candidate for the
Republican Presi-
dential nomination,

nomination, made the allega-
tion to reporters during a
breakfast meeting at which he
asserted that the Nixon Ad-
ministration habitually engaged
in "concealment and decep-
tion."

The charge was based on the
account of a job-seeking en-
gineer from California who told
of being offered "\$1,000 a
week and a box to come home
in" when he answered a news-
paper advertisement for over-
seas work. Mr. McCloskey con-
ceded that he had not made
an attempt to verify the alle-
gation since learning of it in
July.

The engineer, Clarence C.
Holben of Lafayette, Calif., said
in a telephone interview today
that he went last April to the
Oakland branch of Overseas
Services, a Los Angeles-based
job placement company, after
finding that he was to be laid
off by the Atomic Energy Com-
mission's radiation laboratory
in Livermore.

Decided to Stay Home

He said that the branch
manager had told him he could

make "real money" if he would
sign on with Air America, a
flight charter company that
works for the Intelligence
Agency in Southeast Asia. Mr.
Holben said he was told that
if he took the job he would
actually be working for the
C.I.A. He added he turned
down the chance because, "at
47 I can't visualize myself run-
ning around with grenades and
a rifle over my shoulder."

According to Mr. Holben, the
job was only one of several
suggested by Overseas Services,
whose Oakland representative
pointed out a number of places
on a map and said, "we've even
placed people at the [United
States] Embassy in Moscow."

At the Oakland office of
Overseas Services today, the
present manager, Kenneth Mc-
Donald, said it was "news to
me" and that he had "never
seen anything for the C.I.A."

But Mr. McDonald, who took
over the office only two weeks
ago, said he could not discount
the possibility that Mr. Holben's
account was correct. He said
that he himself once had sought
a job as a pilot with Air Amer-
ica with the understanding that
"they have some divisions that
get a little rough once in a
while." He said he was rejected
because he wears glasses.

"I don't know what's wrong
with McCloskey," Mr. McDon-
ald added. "People are shoot-
ing at other people all over the
world."

He said his predecessor in
the Oakland office, whom he
identified as Grant Bryan, was
recently dismissed and could
not be located. Richard Lester,
president of Overseas Services,
said he did not know where to
find Mr. Bryan.

Mr. Lester said that his com-
pany had helped to place hun-
dreds of pilots and technicians
with Air America, one of 1,000
or more American companies
to which his concern submits
resumes for job applicants.
"But never a mercenary," he
said.

Officials of the C.I.A. declined
to speak for the record, but one
official commented privately of
Mr. Holben and his account:
"What would we do with mer-
cenaries in Laos? All the fight-
ing there is done by Meo tribes-
men. Is he Meo tribesman?"

Mr. Holben's account was
first related to Representative
Jerome R. Waldie, Democrat of
California, by a constituent ac-
quainted with the engineer. Mr.
Waldie passed it on to Mr. Mc-
Closkey.

Mr. Holben said that neither
Congressman had got in touch
with him. He added that report-
ers were lucky to find him to-
day because he was leaving
California tonight for a new job
— running a sporting-goods
store in Lake Havasu City, Ariz.