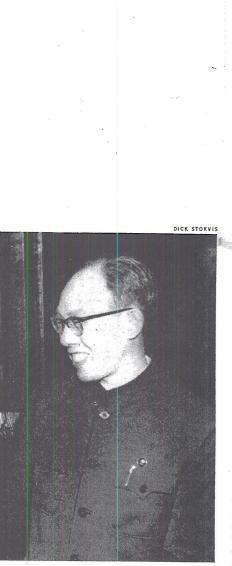
Time



DEFECTOR LIAO HO-SHU

ESPIONAGE

From C to Z

It was 4:30 on a cold January morning, no time for a self-respecting resident of The Hague to be on the streets, and the desk sergeant at police headquarters was baffled by the middle-aged Chinese, clad in pajamas and raincoat, who stood before him. From the mixture of broken Dutch and poor English, the problem resolved itself: the man was Liao Ho-shu, 46, interim chief of Communist China's mission in The Netherlands, and he wanted police protection. After some delay, he was turned over to the Dutch BVD (security police), who whisked him off for interrogation at a spacious, secluded castle called "Hoge Veluwe.". "He told us his story from A to C," a Dutch official said later, "but he probably wants to tell the Americans everything from C to Z." The Americans were happy to oblige, for Liao, in addition to his administrative duties at the mission, was a top intelligence officer. Within hours, a topranking, Chinese-speaking CIA agent arrived to join in the questioning. Liao told the CIA man that he wanted to go to the States, and last week he arrived in Washington for a complete debriefing in one of the CIA's discreet, safe houses.

For the West, it was an intelligence windfall of major proportions. Liao is by far the most important Chinese official ever to defect, * and Holland's Justice Minister C.H.F. Polak let slip the word that he "knows an unbelievable lot." While Berne and Paris remain the major centers for Chinese espionage in Europe, The Hague plays an important role as a principal communications link for Chinese agents, and Liao's contributions on this aspect are expected to be spellbinding. The net effect of Liao's defection has been to jeopardize a large proportion of China's espionage agents and their various operations in Western Europe.

Ideological Problems. Why did Liao leave? He had served in The Hague since 1963, and thus avoided most of the excesses of the Cultural Revolution. As an economics specialist, he played a role in persuading Dutch businessmen to invest in China, and promotions came routinely. When Peking summoned its senior diplomats home for reindoctri-nation in 1967, Liao took charge of the mission on a temporary basis. In the past several months, he began to susthe past several months, he began to sus-pect that his ideological correctness had come into question; he was being carefully watched by his subordinates. There were reports that in recent weeks Liao had cautiously begun attempts to make contacts with American intelligence, with a view to escaping. Adding to his concern was the impending arrival of a Chinese freighter in Rotterdam: the embassy had scheduled an on-board party, and Liao feared that, if he attended, he would not be allowed to go back ashore. His decision was clear, and led him to the police headquarters in the middle of the night.

Liao's loss is expected to set off another round of witch hunting in China's foreign service. There was some concern that the U.S.-China talks scheduled to resume in Warsaw on Feb. 20 might also be affected. Peking assailed Richard Nixon as a "jackal" and demanded that Liao be returned. Repercussions against Liao's family (a wife and two children) back in China could be expected, although there were reports that they had been smuggled out via Hong Kong before Liao made his move.

* Others include Chao Fu, a security officer who quit the Stockholm embassy in 1962; Tung Chi-ping, an assistant cultural attaché at the embassy in Burundi, in 1964; and Miao Chen-pai, an assistant commercial attaché in Damascus, in 1966.