

# C.I.A. ISSUE ENTERS AUSTRALIAN CRISIS

## Whitlam Says an Opposition Chief Had Agency Links and Accepted Funds

By FOX BUTTERFIELD  
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CANBERRA, Australia, Nov. 5—Prime Minister Gough Whitlam has charged that a senior Opposition political leader had close connections with the Central Intelligence Agency, further confusing this country's deep political crisis.

Mr. Whitlam, whose Labor Party Government faces bankruptcy because it has been unable to get its budget passed in the Opposition-controlled Senate, accused J. Douglas Anthony of being friends with a C.I.A. agent and accepting funds from him. Mr. Anthony is head of the conservative National Country Party, which is a partner of the Liberal Party in the Opposition coalition.

In turn, Mr. Anthony and other Opposition figures have charged Mr. Whitlam with using unsupported innuendo to distract public attention from the Labor Government's record of financial scandal, inflation and unemployment, now higher than at any time since the depression of the 1930's.

Mr. Whitlam has declined to offer any evidence for his attack, saying, as he did in Parliament today, that he is "reluctant to expand too much on matters of security."

But according to a leading Australian paper, *The Financial Review*, the connection was furnished by an American who rented a house from Mr. Anthony for four months in late 1966. In a series of articles, *The Financial Review* said that the man, Richard Lee Stallings, was actually a C.I.A. employee who used his friendship with senior Australian leaders to spy for United States interests.

Other knowledgeable sources here identified Mr. Stallings as an employee of the Advanced Research Projects Agency, a technical branch of the United States Defense Department, who came to Australia to help set up a tops-secret satellite-monitoring facility at Pine Gap in the middle of the continent. According to the sources, who declined to be named, Mr. Stallings was the project officer who originally opened the base and not an intelligence agent.

In an editorial this morning, *The Financial Review* described Mr. Stallings as "the Dale Carnegie of the spy world, ingratiating himself not only into the friendship of Mr. Anthony and family but also into the senior echelons of Australian business and indeed into the confidence of senior officials of political parties."

Mr. Whitlam read the editorial to the House with evident pleasure.

The paper said, however, that it could find no evidence for the charge that Mr. Anthony had accepted C.I.A. funds for himself or his party. There have been widespread rumors for years, never confirmed, that the C.I.A. channeled money to the National Country Party and the small right-wing Democrat-Labor Party, which split from the Labor Party, in an effort to block the often militantly left-wing Labor Party.

If the charge that Mr. Stallings was an active C.I.A. agent was true, it could have serious consequences for Australian relations with the United States. For under a long-time agreement, American intelligence agents cannot operate here except in a liaison capacity.

Moreover, under the agreement, which is similar to one with Britain, all C.I.A. employees must be registered and cleared in advance with the Australian Government.

Mr. Whitlam so far has not referred to any possible violations of this agreement, which Western diplomats here say would have occurred if Mr. Stallings was a spy.

Mr. Stallings, whom Australian acquaintances say was a highly personable man and a former Navy officer, reportedly retired about 1298698 and took up residence in Adelaide in southern Australia. He recently suffered a serious heart attack and is now living in Hawaii.

Mr. Anthony has said in the House that he rented his Canberra home to Mr. Stallings, but that it was done through a real estate agent and that he did not actually meet the American until later. Mr. Anthony insisted that he had no idea of his tenants' possible background, saying "I imagine it is not the kind of thing that the C.I.A. would go around telling people."

Mr. Anthony said the Stallings had invited his family to spend a few days with them at Alice Springs near the Pine Gap base, and the families became friends.

"We still exchange Christmas cards and an occasional letter,"

Whatever the truth of the accusation, the controversy over Mr. Anthony's relation with Mr. Stallings has helped to further shift attention away from what until recently was sizable public disenchantment with the Labor Government.

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