14-00000

Dept. of Defense
(National Military Command Center
Message Center)

98952

2 May 69 (6 May 69)

Subject: Request for Information

Action: DIA-20

14-00000

FILE

RIG: R.G.Weidner/dsr
INIT: FE/TBL/T
CY: 1421
DATE: 27 March 1969

MESSAGE FORM
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☐ INDEX ☐ NO INDEX ☐ RETAIN ☐ FILE RID

☐ FILE IN CS FILE NO. 201-259918

following action is authorized:

ORIG: C/FE 4 | INFO | FILE, VR. C/R/SD C/F12 C/CI/SD 3 FE/TBL

R.O. #276 - Unit

(classification) SECRET

(date and time filed)

Note: If destruction cite reasons and place appropriate.

DIR CIA

BANGKOK

REF: BANGKOK 0411 (IN 16820)

1. HQS HAS LENGTHY 201 FILE ON SUBJECT REF WHO HAS LONG HISTORY OF POPPING UP IN AREAS AND SITUATIONS WHERE HE CAN MAKE A FEW FAST BUCKS. HE IS CHARACTERIZED AS UNSCRUPULOUS, A WHEELER AND DEALER, AND A PROMOTER OF GRANDIOSE SCHEMES. HE HAS A REPUTATION FOR LIVING BEYOND HIS MEANS AND IS HIGH PRESSURE ADVERTISING AND PROMOTION MAN. HE WAS OF OPERATIONAL INTEREST IN MID 1959 WHEN HE BECAME INVOLVED WITH ANTI-CASTRO PLOTTERS IN THE DOMINICAN REPUBLIC AND OFFERED TO FURNISH WOFIRM WITH INFORMATION ON REVOLUTIONARY ACTIVITIES IN THE CARRIBEAN. HE WAS GRANTED A POA IN AUGUST 1959 BUT THIS WAS CANCELLED IN OCTOBER 1959 WHEN HIS INFORMATION PROVED TO BE OF LITTLE VALUE AND IT WAS SUSPECTED THAT HE WAS USING WOFIRM FUNDS TO PROMOTE PERSONAL INTERESTS. HE HAS SUBSEQUENTLY ATTEMPTED TO PASS HIMSELF OFF AS REPRESENTATIVE OF LNHARP AND WOFIRM. HE WAS BORN 1918 IN PHILADELPHIA AND DID

CS COPY /CONTINUED/

COORDINATING OFFICERS

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201-259918

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☐ INDEX ☐ NO INDEX ☐ RETURN TO ____ BRANCH ☐ FILE RID

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ORIF: INFO FILE, VR.

(classification) (date and time filed) (office) (place) (reference number)

SECRET PAGE TWO CITE DIRECTOR 89114

SERVE WITH OSS DURING WORLD WAR II. HE HAD OWN ADVERTISING AND PUBLIC RELATIONS BUSINESS IN ATLANTA, GEORGIA WHICH WENT BANKRUPT IN 1959. TRACES ON HIS CURRENT FIRM NEGATIVE.

2. ABOVE CANNOT BE PASSED TO THAIS SINCE SUBJECT REF IS WOLADY CITIZEN, HOWEVER YOU MAY WISH TO INFORM APPROPRIATE LIAISON CONTACTS THAT SUBJECT IS REPUTED TO HAVE UNSAVORY REPUTATION, HAS NO CONNECTIONS WITH LNHARP DESPITE ANY INTIMATIONS HE MAY MAKE TO CONTRARY, AND THAT THAIS WOULD BE WELL ADVISED TO OBSERVE EXTREME CAUTION RE ANY DEALINGS WITH HIM.

3. FILE: 201-259910

END OF MESSAGE

CI/OPS/FE Robert E. Tomaro

William E. Nelson
CFE

Clifton R. Strathern
CFE/TBL

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INFO:

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566

S E C R E T 181107Z MAR 69 CITE BANGKOK 2411 18 MAR 69 IN 16820

DIRECTOR

REQUEST HQS TRACES ON MITCHELL L. WERBELL III AND HIS FIRM SIGNICS, 1655 PEACH TREE ST., N.E., ATLANTA, GEORGIA. WERBELL IS HERE OFFERING TO SELL THE LATEST FIREARMS TO RTG. HE HAS PRESENTED SOME OF THESE WEAPONS TO THE KING.

S E C R E T

18 MAR 1969

Chief _____ S. _____

D/C _____ S. _____

1. _____

2. _____

3. _____

4. _____ Chrono _____

WITHIN 24 HOURS

Transcribed

SECRET

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# ROUTING AND RECORD SHEET

SUBJECT: (Optional)

| FROM: | EXTENSION | NO. |
|---|---|---|
| Ralph E. Jusell<br>Employee Activity Branch<br>3 E 49, Hdqtrs. | 7720 | DATE 26 March 1968 |

| TO: (Officer designation, room number, and building) | DATE RECEIVED | DATE FORWARDED | OFFICER'S INITIALS | COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.) |
|---|---|---|---|---|
| 1. WH/Security 3 D 3113 | | | | For your information. |
| 2. | | | | NR on Baker in OS files. |
| 3. | | | | |
| 4. WH/COG | | | | |
| 5. attn: Nancy Gratz | | | | |
| 6. | | | | |
| 7. RI/AN | 13 AUG 1968 | | | 5-7 please index |
| 8. RI/EOI | | | | 5-9 please file 201-259910 |
| 9. RI/FILES | | | | |
| 10. | | | | |
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CONFIDENTIAL

UNITED STATES GOVERNMENT

# Memorandum

TO Chief, OP/RD

DATE: 4 March 1968

4MAR68
XAAZ 28107

FROM : L. L. Curran

SUBJECT: BAKER, Bruce Arman

On 7 February, this gentleman telephoned my office. His address is:

Mr. Bruce Arman BAKER
11379 President Drive, N. E.
Blaine Village, Minnesota

Δ U.S.A CIT: U.S.A

Mr. Baker stated that he has been in contact with a Mr. MITCHELL WERBELL, III of Powder Springs, Georgia. 201-259910

Mr. Baker says that Mr. Werbell is in the business of manufacturing weapons and delivering them by air throughout the world. Mr. Baker understands that Mr. Werbell does this for the Central Intelligence Agency.

Mr. Baker says that Mr. Werbell is a supposedly reputable man. Baker understands, from Werbell, that Baker will have to get a CIA security clearance to fly for Werbell.

Mr. Baker has served in the military. He has had some paramilitary training. He belongs in a "jump club" and now participates in "freefall", etc. He has a Morse Code proficiency and a Radio License Second Class. He has Spanish language proficiency and would be willing to collect for us.

This man persists on pursuing me re this CIA/Werbell relationship. I tell him I don't know a thing about it. It seems he has a smuggling record when he was 17 and he's afraid this may keep him from getting this Werbell "CIA" clearance.

L. L. Curran

MICROFILMED
AUG 30 1968
DOC. MICRO. SER.

LLC:sb

Baker requests no contact on his wife re this deal. She is not witting. L

201-259910

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

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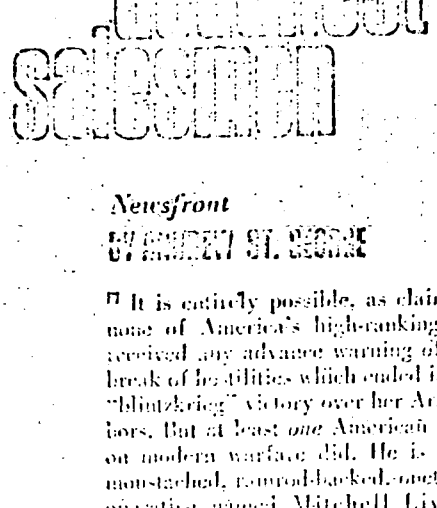
*When war breaks out anywhere in the world, former OSS man Mitch Werbell is eager and able to supply weapons to either side—or both. And he's only one of several high-flying operators in a dark and growing trade*



*Newsfront*

**WANDERING ST. GEORGE**

It is entirely possible, as claimed, that none of America's high-ranking officials received any advance warning of the outbreak of hostilities which ended in Israel's "blitzkrieg" victory over her Arab neighbors. But at least *one* American authority on modern warfare did. He is a ruddy, mustached, tomato-backed, onetime OSS operative named Mitchell Livingston Werbell III. Two days before the Middle East fighting began last June, he left his Georgia country manor an hour before daybreak, drove the 25 miles to Atlanta airport in 19 minutes and boarded a jet for New York (and carrying a large, square valise which had been custom-made for him in Germany.

In Manhattan, Werbell checked in at the City Squire Inn, went to a double room still carrying the valise, and set it between his legs while he made several phone calls to numbers he looked up in a slim leather notebook. Precisely at noon, he reentered the elevator and pushed the "lobby" button with the unhurried cool of someone absolutely certain that a chauffeur-driven limousine is waiting downstairs—which he was; which *it* was.

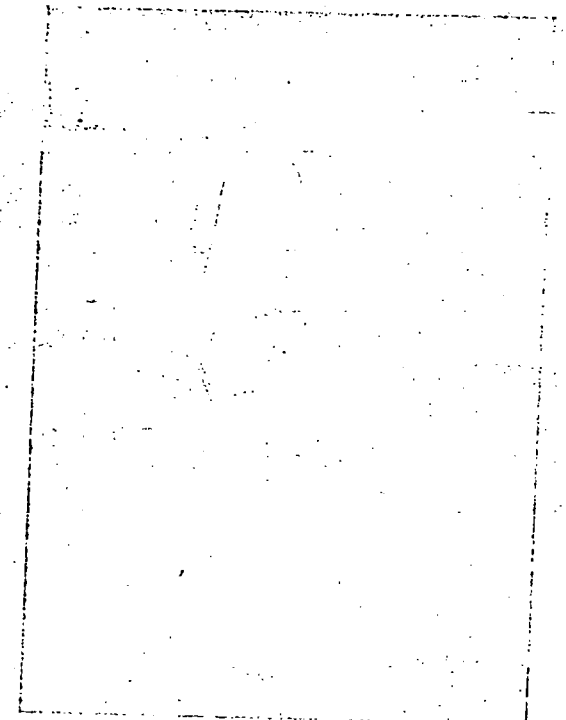
A couple of hours later, after crossing Manhattan and boarding a private yacht

*Werbell relaxes, above, at plush Puerto Rico hotel between arms deals. Note holster gun on p. 41, opp. page.*



2.5.

*Mitch Werßell and two aides look over route on map prior to a night delivery of weapons somewhere in the Caribbean.*



*For another Caribbean mission, small boat is towed close so that crews can be transferred for speedy run to the shore.*

on the East River, Werßell finally opened his valise and displayed its contents: a half-dozen missile guns, both hand and shoulder weapons, which fire a small, self-guided rocket instead of the conventional bullet. Werßell had designed and built some of them himself.

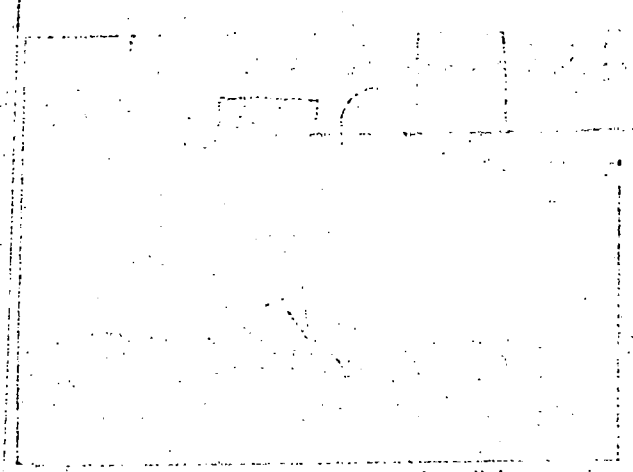
Around him, crowding the yacht's stateroom, solid-looking, somber men watched intently as Werßell demonstrated the new firearms' awesome potential. Later that evening, recalling the demonstration over a drink back in the city, Werßell would describe his nautical hosts only by saying, "They were . . . let's just call them very important friends of Israel. They'd been warned that within days the Mideast would be at war. They were there to make sure that one way or another Israel got a crack at the very best weaponry there is. Not just for the campaign ahead, but for the standoff which is bound to keep the Middle East under tension for years."

Clandestine meetings like this are part of Mitch Werßell's stock in trade. He is a firearms broker of the new breed known as M.M.'s—munitions manipulators. In a world of highlized wars—from Yemen to



2.5

*Arms brokers are a curious blend of past and present. Here Werlbell, dashing as a Prussian noble, tests MBA rocket pistol.*



*Werlbell, who likes to design arms as well as sell them, examines some of his collection in the "weapons room" of his Georgia home.*

Angola to Bolivia—M.M.'s are the new V.I.P.'s of international politics. It is their business to know even before diplomats do where tensions are brewing that bring potential customers. Their most satisfying status symbol is the discovery that somewhere on the globe their merchandise is shooting away, back and forth, on *both* sides of the same conflict.

Heading south from Miami, one's first look at the Bahamas schooners and converted subchasers plowing the blue water with cargoes of arms from such dealers, recalls nothing so much as the rum-running boom of Prohibition years. But a diligent student soon discovers that alcohol and armaments have little in common; the munitions business is a vast, worldwide trade influencing the destiny of governments, nations, political parties—and the men who command them.

Take the recent assassination attempt against Santo Domingo's military strong man, Gen. Antonio Imbert. Driving homeward on Henriquez Ureña Street, General Imbert suddenly saw seven silver stars spin across the windshield of his Cadillac. Even before [Continued on page 73]



2.5

shapes, not an unusual pattern to find in various parts of the world today.

On the mound prairies, ice formed in the cracks. As the ice built up, more soil was shoveled up into the polygons of earth and the cracks themselves widened. Finally the earth blocks froze too. When a big thaw set in, the ice in the cracks thawed faster than the earth blocks and flowed away, leaving big polygons of earth standing on the prairies.

What happened next is what happens to a melting ice cube. Its outside edges melt away first so that the cube dwindles into a sphere. The polygons of earth went through the same process. The corners of the earth blocks thawed faster than the sides. Then, while the cores were still frozen, the whole area was submerged for a short time by an ice-choked flood river. The rush of water swept away the thawed material and when the water subsided, what was left were dome-shaped Mima mounds.

In areas where the running water had covered them for only a short time, the mounds were big. Where the water flowed longer, more thawing took place and the mounds were small.

A very satisfying theory. But as usual, other scientists have picked flaws in it. For one thing, they question if the area had the sort of climate which Ritchie describes. They say it was not much colder during the mound-forming period than it is today. And they doubt if the prairies were swept by a flood of water deep enough to cover all the mounds. It would have had to be over 100 feet deep.

Some of the critics are gopher-theory men. The pocket-gopher theory has been around for 25 years, gaining supporters steadily. It particularly excites biologists, because if Mima mounds really turn out to have been made by gophers, they would be the most extraordinary structures (if not the biggest) ever made by any mammal except man.

The gopher possibility first occurred to Walter W. Dalquest back in 1941 when he was making a survey of the mounds of southern Washington. He later developed the theory with Victor Scheffer, a biologist with the United States Fish and Wildlife Service.

As they point out, wherever there are Mima mounds, there are also gophers, with the exception of Mima Prairie where the finest mounds of all are found. And at one time there were gophers on Mima Prairie, too. Evidence proves it.

The gopher they are talking about is a small brown animal, looks rather like a rat, and is called a "pocket" gopher because it has a fur-lined pocket in its cheek for carrying around food and nest material.

This is the way the biologists explain the gopher theory. As the Vashon ice sheet retreated and vegetation grew up in its wake, pocket gophers began moving in from the south, probably only advancing a hundred feet or so in a gopher generation. Finally at the southern end of Puget Sound, they ran into a new young evergreen forest which had sprung up ahead of them.

Gophers will not live in the shade of a forest so instead of pushing on farther, they dug in on the prairies. As a protection against predators they dug deep.

Each Mima mound represents what at one time was the "territory" of an ancient gopher family. When they built their foraging tunnels, they kept on dragging a little more soil back toward the home site than they took away from it. After thousands of years, those infinitesimal amounts of soil would have built up into a Mima mound. The mysterious mound roots which extend into the gravel below the mounds are abandoned gopher tunnels which have filled up with black silt.

"But not all Mima mounds have mound roots," opponents of the theory point out. They cap at other details, too. As one geologist wrote, "After diligent search, more than 50 stones, ranging in size from two to 20 inches in diameter have been found inside the mounds, well above their base." And how could any gopher shove a stone the size of a football up to the top of his nest?

What the next theory will be is anybody's guess, but the ultimate touch of confusion has already been added. There are those who say the Mima mounds are growing. Nor is this a new idea. Over 50 years ago, farmers in the area started talking about it. "Sure they're growing. When I was a kid they were level with the top of the chicken coop. Now they're several inches taller."

The growing theory cannot be passed off with a hearty chuckle either. Some keen observers have been taking the idea seriously—Doctor Sheffer, for one—although nobody can prove scientifically whether they are growing, shrinking or staying the same. In fact, only one thing is sure about the whole Mima hassle. If something is not done soon, there will not be many Mima mounds left to puzzle over. Acres of them have been leveled for farming. Still others have been dug up for gravel pits and cut through for highways and railroads. Not that the conservation-minded State of Washington would ever let them disappear entirely. A good thing, too. Because if those mystery mounds really are growing, we are going to have more puzzles to grapple with—like what on earth is making them grow bigger? And where, by all that is sane, are they going to end? —Jean Muir

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## THE DEADLIEST SALESMEN

[*Continued from page 43*]

he heard the stutter of silencer equipped submachine guns, he knew that a long-anticipated event was taking place—an attempt was being made to kill him.

To duck the assassins' bullets, the general dropped sideways. His arm snaked behind the front seat of the limousine where his own submachine gun hung in a rack. But Imbert's life was saved by a different and wholly unexpected sort of weapon.

In the escort jeep, the general's chief bodyguard, Maj. Marino Garcia, flicked a spring-loaded switch on the brown leather swagger stick under his arm. The stick—suddenly converted into a miniature missile launcher—spat forth a high speed .50 caliber rocket projectile. With a chilling "SH'OOSH!" the small missile from the most powerful handgun now in existence blew apart the windshield of the attackers' Oldsmobile. The car turned and fled.

Outside the island confines of the Dominican Republic (where it set off yet another national crisis), nobody heard the news of the ambush with greater interest than Werbell. He was delighted by General Imbert's escape. He has warm personal relations with a number of Latin strong men, and the portly Dominican warlord has been an especially close friend. And it was Werbell who had invented and delivered the shooting stick that apparently saved the situation. Moreover, Werbell discovered, from a detailed description of the assassins' guns, that the ambush weapons, too, came from a lot he had passed on to the Dominican armed forces some years earlier.

In relation to the total worldwide munitions trade the equipment supplied by the private dealers is a drop in the sea—the world turnover in munitions is estimated at 350 billion dollars a year. Still, munitions manipulators like Werbell account for the fastest-growing portion of this vast business.

"The impact of private arms shipments into the underdeveloped world has been sensational," wrote military specialist Jack Raymond of *The New York Times* last year. "So fragile are the instruments of government, so slender, sometimes, their hold of popular support, so vulnerable are they . . . that the timely arrival of some mysterious arms merchant can mean survival of one regime or the fall of another. . . ."

One week in March, 230 Americans were killed in Viet Nam. During the same week in Latin America, where undeclared guerrilla warfare rages in half-a-dozen countries, the death toll was near 300.

These guerrilla conflicts are no longer waged with fowling pieces and cane blades. "The guerrillas are as well armed as the government troops," the U.S. Central Intelligence Agency revealed recently. "Often, the guerrillas' weapons are more modern. And they fire thousands of rounds in each encounter."

The regular armies, in turn, are growing anxious to reestablish their traditional overwhelming superiority in firepower. Hard pressed, they are turning to controversial ordnance—napalm, harsh nauseous gases, special infantry rockets built to smash entire houses—which must often be bought in the black market.

Down briefly from its World War II peaks, the munitions business began to rise again in the late 1950's. For a while, however, large well-organized corporations controlled most of it. A firm called Interarmco, for example, had become a worldwide octopus by 1958. Independent operators found that it was often possible to cooperate with Interarmco, but seldom to compete with it. Then in the late spring of 1958, the U.S. State De-



2.5

"This is okay, but when are you going to teach me to chase wimmen?"

partment did an odd, little publicized thing: it suddenly revoked licenses to export munitions to the Cuban government of President Batista.

General Batista had long been one of Washington's favorite clients, but Cuba was racked by internal disorders. The State Department had decided as a political gesture to curtail the flow of arms to him. By 1958 the official U.S. line on selling firearms had become completely confused. An old friend would be suddenly denied a paid-up munitions shipment, an ostensible outcast in, say, the Middle East, would be suddenly invited to bid on some coveted hardware.

The great corporations were hamstrung by the State Department's vacillations. Independent ordnance salesmen moved into the vacuum. Less troubled by red tape and day-to-day policy changes, they were prepared to make deals and deliver goods swiftly. A new prototype of global gun merchant emerged—the successful munitions manipulator. He came wearing custom-made English tropicals and a platinum-banded watch. He talked in the vernacular of the British officers' mess, adopted by the whole international firearms fraternity.

M.M.'s cover a broad spectrum. They range from the officially licensed, eminently respectable Werlell to a mysterious Hungarian-born munitions salesman, whose lifelong skill in using false documents is believed to have inspired the Continental underworld term *Handelspasser*, i.e. man of a hundred passports.

With some exceptions, successful M.M.'s seem to share an upper-class or military background. They often arrive at the munitions business through years of devotion to firearms as gun collectors or tinkerers. Mitch Werlell was still a gun hobbyist, who planted and shipped tropical fruits for a living when he developed—in his home workshop—what is today considered the finest muzzle silencer on the international market.

Sure political instinct and diplomatic skill are essential in the successful manipulation of munitions.

Andrew McNaughton, scion of Canada's most distinguished military dynasty and a former RAF squadron leader turned arms dealer, explained: "The fellows who got somewhere in this business all started out with a common insight. The big corporations had grown used to dealing with governments, but the independents, who were a lot smaller and quicker on their feet, recognized that it was easier to deal with government *departments*.

"Someone, say, had a nice order for machine guns . . . from, perhaps, a group of Kurdish freedom fighters who carry their hundred-dollar bills rolled as thick as a telephone book. Then he had a nice offer from, say, an arms firm in Hamburg to fill the order: MG-34 machine guns, almost as good as new—*better* than some—a spare breech thrown in for $220 each, belted ammo with it, tracer-spaced, $25 per thousand rounds—everything very nice. Except that to move the shipment out of West Germany and around the world, you needed a quiet little okay from Washington. Why? Because that's the way modern blue politics works, I suppose. Anyhow, you went to Washington, clear-eyed and trusting, and the State Department said, 'No.'

"Now the big corporation might try a little wire pulling. If it got another 'No,' it might quit for a while. But the independents had discovered that if you got a 'No' from the State Department, you could then go to the CIA, or the DIA, the military intelligence establishment, and get a 'Yes'—provided you were small enough and sneaky enough to do it quietly and kick no furniture on the way. Of course, it is a bit trickier this way, running the risk. You have to charge more. But then you often make a bit more, too."

This seems to be a point on which most M.M.'s agree. Charles Mevs, a philosophical Haitian ("Indicted, but never convicted, my friend!") put it this way: "Everyone knows that small countries are changeable. They have many subsequent governments. A lot of the big corporations had learned to live with that. But the small independents appreciated something else—that big powers tend to have many *simultaneous* governments."

Mevs grinned a huge, white, triumphant grin. "It's the same East and West. Think not? Russia? England? France? No difference, my friend. Remember last year the Moroccan government went to the French Foreign Office trying to extradite one of their exiles, Ben Barka? Yes? And the French Foreign Office said, '*Non, non,* our traditions of political asylum . . . the sacred freedom of choice . . . and *patati,* and *patata.*' So the Moroccans went to the invisible government, to French Intelligence. And they made a little deal. And French Intelligence just said, 'How d'you want this Ben Barka delivered, bagged or crated?' Eh? No difference, my friend."

It is a fact, shared by governmental insiders around the world, that great-power politics have seen a resurgence of old-fashioned Machiavellianism. Take the curious case of John Richard Hawke, 29, a bearded Britisher from Cornwall who, after eight years in the RAF, has turned up as an M.M. doing ferry flying by appointment—bomber planes and bomb-sights a specialty.

One day early last year, Eugenie Anderson, a U.S. representative in the United Nations, spoke in the General Assembly. She seemed to be promising that this man Hawke would go to prison for a long, long time. It appeared a curious UN undertaking—Hawke had not yet been convicted of anything. He still hasn't been. But the background of the matter illuminates the workings of modern munitions dealings.

Portugal, a NATO member in need of some ground-support planes for its forces in Angola and Mozambique, had approached Washington with a request to buy 29 B-26 Invader bombers. At the State Department's suggestion, the request was turned down; the U.S., in the United Nations, had promised not to purvey supplies for "colonial wars." But there were other agencies in Washington more favorably disposed to Portugal, perhaps because they were troubled by the Angolan guerrillas, perhaps for other reasons. At any rate, the sixty-six was resold-made for experienced M.M.'s. The total deal involved over three million dollars.

There now appeared a distinguished French aristocrat, wearing the Legion of Honor, a hard-bodied Australian aircraft broker operating from Australia, some mechanics, some shops, a crew

("Sparrow"); some special radio rigs for combat-zone communications, and a pilot: John Hawke. In short order Hawke was flying over the Atlantic in the first of the seven bombers he was to deliver to Portugal in less than three months. Ostensibly headed for Bordeaux, France, he flew instead to a Portuguese air base where he was met by the Comte de Beaumont, representing a Swiss munitions firm.

Hawke was paid $3,000 for each flight. Although expenses ate up two-thirds of the fee, the deal seemed satisfactory. "Those planes had bomb racks, armor plating, ready gunports—there could be no question in anyone's mind what they were for," he told a visitor recently in Miami. Nevertheless, a question of sorts arose in *some* minds. One day Hawke was arrested and charged with violating the U.S. Munitions Act by exporting bombers without written State Department approval.

At the trial, the prosecution maintained that the United States government had neither known about, nor countenanced Hawke's flights. The pilot had a lone defender: Edwin Marger, a Miami lawyer-pilot, who has been developing munitions law into a specialty. Marger proved that U.S. intelligence did have tacit knowledge of the plane exports to Portugal.

Ferrying his third B-26, Hawke had flown into a pea-soup fog over Washington and blundered across a prohibited zone over the White House. The Federal Aviation Agency radioed up an urgent order to land. When Hawke put the B-26 down at Washington National Airport, he was inspected and questioned. By using the code word "Sparrow," Hawke got clearance to continue his flight. After Hawke's arrest, there seemed to be no proof that the incident ever occurred. The original FAA report of the incident had mysteriously vanished. But Marger finally managed to come up with a copy of the report. Together with the Customs declaration for the same plane, it proved the lawyer's point sufficiently to bring an acquittal.

"The jury realized some official hanky-panky must have been involved," Marger explained, "and they felt Hawke should not be made the goat."

Marger, however, appreciates the American dilemma: "Keep in mind," he says, "what a variety of roles a great power must play. In the UN it must play the benign anticolonialist. At an international conference, the principled pacifist. In the legislature, the protector of its domestic armaments industry, whose congressional friends resent restrictions on exports. In a secret emergency meeting with some battle-weary Latin president, it must be the powerful antiguerrilla leader. In its own National Security Council, it must be the champion of worldwide strategic interests. And so forth—there's no way to reconcile all this in public. That's where the M.M.'s come in, and very usefully, too."

Such geopolitical factors do not concern most munitions operators. Dominick de Feketete von Alfaro and Negyszomb is an arms dealer who in name and background seems straight out of a Graustarkian novel. A former cavalry subaltern of the Royal Hungarian Horse Artillery, he worked his way up in the firearms business because it satisfied his two lifelong interests: guns and money.

After World War II, De Feketete, a starved, handsome cosmopolite who spoke five languages, rose to quick eminence in the European contraband business. In the early fifties, he moved his headquarters to South America and turned to the munitions business. He concentrated on footpond methods of delivering contraband by sea.

De Feketete's clientele was divided equally between rebels and governments—frequently in the same country.

"With rebels you have an easier sale," he once told a friend. "They want whatever you can get for them, but with governments you have an easier delivery."

Such an expert trader along the "Mosquito Coast" as Andrew McNaughton confirms that doing business with arms-hungry banana regimes demands a rather large variety of special skills. "The first time I went to Cuba—before Castro—with a very nice list of secondhand military merchandise," McNaughton recalled, "I thought it would be a simple sales deal. But it wasn't.

"I was offering first-rate stuff at bargain prices," McNaughton explained. "Belgian ceramic-jacketed hand grenades by the hundred at $1.75 each; surplus Garands with spare clips at $11; English Staghound armored cars under $11,000. It was precisely what the Cubans needed and the generals with whom I had daily meetings could hardly conceal their interest.

"Then, one evening there was a knock on my hotel room door. It was the Cuban C in C's secretary, Pancho. He told me my wares were satisfactory, but why hadn't I given the general a price list? 'What do you mean?' I said. 'We've been talking prices for five days.' Pancho just grinned. 'You know, McNaughton,' he said, 'you're an imbecile, but you're a pilot and I like pilots—I'm a pilot myself. Let me show you what a price list is.'"

In the tropical weapons trade, McNaughton learned a "price list" is the most important sales gimmick. For each item, three different prices must be listed. One is the current market price of the item in question, brand-new, retail: for an M-1 rifle this might be $100. The second price shows the amount for which the weapon had been purchased: in the case of an M-1 rifle, offered as surplus by a government which had bought it in 1946 and warehoused it ever since, the original price may have been a lot lower, say $80. The third figure is the real sales price which the salesman is asking for his surplus item—in the case of the same rifle, this real sales price might be $50.

To close the deal, you must conclude by making up two bills of sale, said McNaughton. "One lists the current, brand-new market price—this goes to the general's auditors. The second bill of sale

TRUE

"Fine, let me congratulate everyone for the fine turnout. . . ."



2.5

It is the surplus price, the real price you're getting when you look into the general's pocket. Into the general's pocket also goes the difference between the two prices—in the case of the hypothetical M-1, $70 on each rifle."

The staple of the private arms trade is the assortment of weapons known as Old Reliable. These are hardy perennial items of commerce which sell steadily everywhere from the Congo to Cochabamba. There is, for example, the 20mm. automatic cannon, priced anywhere from $400 to $650. Delivery price will depend on condition, availability, accessibility of ammunition and shipment difficulties (open or clandestine).

Other longtime favorites are the Browning Automatic Rifle (from $95 to $350); the big-bang M-1 Garand rifle ($10 to $155); the Enfield No. 4, popular because of its low price (around $25); the Madsen .50 cal. machine gun ($200 to $550); the infantryman's Big Daddy, the .50 cal. Browning machine gun ($100 to $1,000), and the 57mm. recoilless rifle, which will convert a launch into a warship at close range and in the jungle can make a guerrilla platoon's firepower equal regimental artillery (from $1,400 to $3,000). Mobile perennials are the B-26 bomber, the Staghound armored car and the T-28 jet trainer.

But it is the modern, hard-to-get weapons, kept in short supply by political considerations, which are in greatest demand. The U.S. developed M-79 grenade launcher, which looks and handles like a stout, single-barrel shotgun but fires a 40mm. grenade shell or bazooka rocket with rifelike accuracy, commands up to $1,700, ammo extra. There is great interest in the science-fiction MBA rocket guns which fire small, self-guided ballistic missiles at twice the velocity of the blockbuster-magnum cartridges—and without explosion or recoil. The experimental *fléchette* pitching flight bombs, which explode with a chandelier of thousands of tiny darts, are coveted by militaries and "freedom fighters" alike, as are the fantastic new image-intensifying and heat-seeking superscopes, which let the riflemen see and shoot as well at midnight as at noon.

This curious mixture of old and new weapons is reflected in the personality of the successful M.M.'s. For all their passage from rest in munitions to industry, their personal outlook tends to be curiously old-fashioned. Perhaps because of an inner identification with adventurous types of a bygone past, they tend to affect charming, eccentric, turn-of-the-century manners. This is true even of such old-style pistol packing characters as Rolando Masferrer, who is often called the Caribbean's most feared gang lord. An astonishingly literate, brilliant, erudite Cuban who was raised in the United States and graduated at the head of his law school class, Masferrer has been fascinated by violence since his first taste of it at 19, in the Spanish Civil War. He left half his left foot in Spain, but came out of the hospital an ardent of the International Brigade and for years afterward lived the life of an international Communist Party enforcer.

After World War II, Masferrer swung to the right and became a newspaper tycoon, senator, cattle magnate and overlord of the Caribbean's biggest gang of gunmen. Now living in the United States, he is a colorful demonstration of the mysterious ways of munitions manipulation. While officially restricted to residence in the State of New York, he managed to equip, in Miami, a 300-man Haiti invasion army with everything from infantry boots to a B-25 bomber. Now under indictment for this stunt, Masferrer is awaiting trial in the Miami Federal court.

The last time the U.S. government tried to convict him on similar charges, he got the case thrown out of court—much like Hawke—by pointing out that "I wasn't doing anything the government was not doing, too."

Other hazards in the trade can be more worrying. Since the Korean War, at least 20—and possibly twice as many—M.M.'s have been murdered. The "Red Hand," a band of ultra-rightist right-wing extremists, is believed to have killed two private arms dealers in five countries simply to keep down the flow of arms to Algerian rebels during the last years of French colonial warfare. One of them, a Swiss gun-runner named Maurice Leopold, was killed with a poisoned arrow.

Masferrer usually carries under his arm a paper bag containing reading material, some Ramon Allones cigars, and a fully loaded National Match Colt .45 automatic pistol. His two bodyguards carry the same model of pistol in empty cigar boxes which they place beside their napkins when dining in a restaurant.

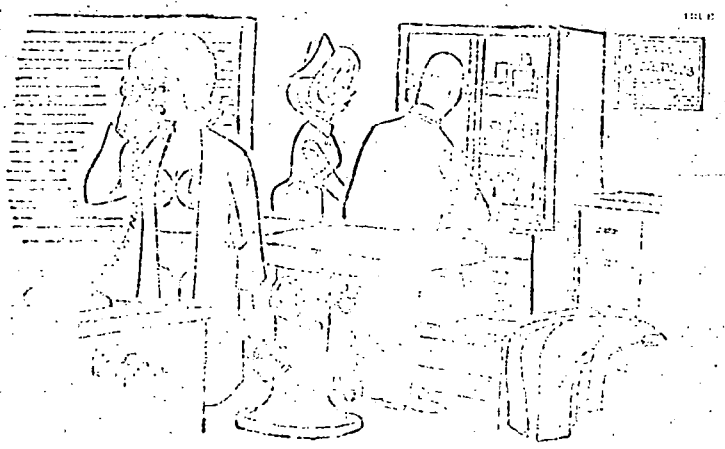
Right now Africa, where live bullets have been known to replace coins as the preferred tender, is the most fertile private firearms market. Latin America comes next, with a huge turnover in hardware of every kind. Comparative volume is hard to establish, because the same firearms travel back and forth repeatedly, from country to country, continent to continent, wherever supply and demand may take them.

The trajectory of such firearms from factory to firing line can be fantastically fascinating. The following history has been put together of a 20mm. cannon sold to Haitian rebels last year. The cannon was made in Finland during World War II and used on the Soviet front. In the late forties, it was sold in a lot to an International arms agent in exchange for some car loads of Sten guns. Shipped to Italy, it was taken over by Dominick de Felcete in one of his first weapons ventures and sold to the Israeli Haganah. In 1950 it returned to De Felcete in the mixed lot of surplus Israeli hardware consigned to Costa Rica. In 1955, it made a second transatlantic trip, back to the Mediterranean, where agents of the Algerian FLN were waiting for it in Tunis. In 1960 it went overseas again, to Panama, and thence north to the United States, in a shipload officially described as "Deactivated War Souvenirs." It was then sold to Cuban rebels for delivery by airdrop to the Sierra Escambray mountains, but something went wrong with the delivery and the cannon ended up firing instead in Santo Domingo. In 1965 it was brought back to Miami in a mysterious converted subchaser known as the *Texana*. Later the same year, it was acquired by Rolando Masferrer. In mid-1966 Masferrer sold it, in a mixed lot-load of light weapons, to a group of rebels preparing to invade Haiti under the leadership of a Catholic priest.

In a quarter of a century, the cannon has seen action in a half dozen wars—big and small—and brought sizable profits to each M.M. who touched it, and sold it. And how do the M.M.'s feel about their business.

Mitch Werbell summed up the arms trade—the fraternity when he told a visitor recently:

"Please don't call me a merchant of death. All it is really, is that I've been hold of guns all my life. Guns don't kill people, people kill people. Guns don't hurt people, and always hurt, but I believe someone invented the revolver."—Andrew St. George



"Hello, Harry dear. I'd like to apologize for saying I couldn't carry you if you were the last man on earth. . . ."



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FBI document dated
11 May '67
re: Wer Bell, Mitchell —
Haiti

14-00000

FBI document dated
2 May 1967 from New York

re: Ralph Lauro Serrano

14-00000

FBI document dated
12 June 1967 from New York
re: Chet Gray

FBI document dated
11 JAN '67
re: Wer Bell, Mitchell Livingston, III

104-10182-10072

2025 RELEASE UNDER THE PRESIDENT JOHN F. KENNEDY ASSASSINATION RECORDS ACT OF 1992

HOUSE SELECT COMMITTEE ON ASSASSINATIONS STAFF MEMBERS

FILE TITLE/NUMBER/VOLUME: WEBELL, [illegible] III
(VOL. I)
201-259910

INCLUSIVE DATES: JAN. 1974 THRU FEB. 77

CUSTODIAL UNIT/LOCATION:

ROOM:

DELETIONS, IF ANY: OTHER AGENCY REFERS (FBI, ETC.)

| DATE RECEIVED | DATE RETURNED | REVIEWED BY (PRINT NAME) | SIGNATURE OF REVIEWING OFFICIAL |
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| 3/3/78 | 3/3/78 | DAN HARDWAY | Dan Hardway |

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Mitchell Livingston WEBBEL III
201-259910

201-259910

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(When Filled In)

# INFORMATION REQUEST

SUBJECT OR OTHER INDIVIDUAL INDEXED IN THIS DOSSIER IS INVOLVED IN A REQUEST UNDER

(CHECK ONE)

- [x] PRIVACY ACT
- [ ] FOIA
- [ ] OGC/OLC
- [ ] OTHER (Specify nature of request under remarks)

| SUBJECT OF REQUEST: | FILE NO. |
|---|---|
| MITCHELL LIVINGSTON WEARGELL III | 201-259910 |

DOCUMENT SYMBOL, NO. & DATE (If request is on other than subject of 201)

| REQUEST NO.: | DATE COMPLETED | DATE APPEALED (If applicable) |
|---|---|---|
| P76-28 | APRIL 1977 | |

REMARKS

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DATE-TIME GROUP 0220012 CITE CIA MESSAGE REFERENCE NUMBER 960121

CONF: C/LA8 INFO: FILE C/IP/ams, C/LS~/10, C/PCS, C/PCS/ITC2, ACC/000, C/OMS2, C/CI, D003, 000/00

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TO: FEDERAL BUREAU OF INVESTIGATION//ATTN: R K MCHARGUE/GENERAL INVESTIGATIVE DIVISION. Y

SECRET--WARNING NOTICE-SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED--NOT RELEASABLE TO FOREIGN NATIONALS--NOT RELEASABLE TO CONTRACTORS OR CONTRACTOR/CONSULTANTS Y

CIR-316/00302-77 Y

SUBJECT: BOMBING OF FORMER CHILEAN AMBASSADOR TO THE UNITED STATES; NAME TRACE, MITCHELL LIVINGSTON WERBELL III Y

REF: FBI CABLE REQUEST DATED 14 JANUARY 1977 Y

1. THE FILES OF THIS AGENCY CONTAIN CONSIDERABLE INFORMATION ON MITCHELL LIVINGSTON WERBELL III, BORN 8 MARCH 1918 IN PHILADELPHIA, PENNSYLVANIA. THE MAJORITY OF THE INFORMATION WAS FURNISHED BY YOUR BUREAU. THIS AGENCY PREVIOUSLY FURNISHED THE FBI WITH INFORMATION ON WERBELL UNDER CSCI-3/773317 OF 24 OCTOBER 1962, SUBJECT WERBELL, MITCHELL L.; AND CSCI-316/02323-69 OF 27 JUNE 1969, SUBJECT WERBELL, MITCHELL LIVINGSTON III. IN ADDITION, THIS AGENCY FURNISHED YOUR BUREAU WITH MEMORANDA CONCERNING SUBJECT MITCHELL LIVINGSTON WERBELL III DATED 27 JUNE 1974, 31 AUGUST 1974, 9 AUGUST 1974, AND

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12 AUGUST 1974. ¥

2. WERBELL HAS NEVER BEEN EMPLOYED BY THIS AGENCY NOR DOES THE AGENCY HAVE ANY OPERATIONAL INTEREST IN HIM. WERBELL WAS A COMMISSIONED OFFICER WITH THE OSS DURING WORLD WAR II AND SERVED IN THE CHINA-BURMA-INDIA THEATRE. IN AUGUST OF 1959, THIS AGENCY CONSIDERED USING WERBELL AS A SOURCE OF INFORMATION ON REVOLUTIONARY ACTIVITIES IN THE CARIBBEAN AREA, PARTICULARLY CUBA, BUT TERMINATED ITS CONSIDERATION OF HIS POSSIBLE USE IN OCTOBER 1959 WHEN IT WAS DETERMINED THAT HIS INFORMATION WAS OF LITTLE VALUE AND IT WAS SUSPECTED THAT HE WOULD USE THE PROPOSED CONNECTION WITH THE AGENCY TO PROMOTE HIS PERSONAL INTERESTS. ¥

3. DURING AUGUST AND SEPTEMBER 1962 REPORTING ON WERBELL REVEALED THAT HE VISITED SEVERAL CENTRAL AMERICAN COUNTRIES AND APPEARED TO BE CONTACTING OFFICIALS OF THE GOVERNMENTS OF GUATEMALA, NICARAGUA AND EL SALVADOR FOR THE PURPOSE OF OBTAINING RECOGNITION OF A "DE FACTO" CUBAN GOVERNMENT IN EXILE CALLED THE "UNITED ORGANIZATION FOR THE LIBERATION OF CUBA." IN DISCUSSIONS WITH NICARAGUAN GOVERNMENT REPRESENTATIVES, WERBELL CLAIMED THE PROPOSED CUBAN EXILE GOVERNMENT

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HAD THE SUPPORT OF NINETY SEPARATE CUBAN EXILE ORGANIZATIONS AND 186,000 CUBAN EXILES. HE ALLEGEDLY OFFERED A NICARAGUAN GOVERNMENT OFFICIAL [redacted] $180,000 TO OBTAIN THAT GOVERNMENT'S RECOGNITION OF THE CUBAN GOVERNMENT IN EXILE.

5. IN DECEMBER 1965, WERBELL SPOKE TO A MIAMI CONTACT OF THIS AGENCY AND TOLD HIM THAT HE AND SIX CUBAN EXILES IN THE UNITED STATES HAD ORGANIZED A GROUP, INCLUDING APPROXIMATELY TWENTY CUBANS INSIDE CUBA, TO PERFORM A COMMANDO OPERATION IN CUBA IN EARLY JANUARY 1966. THEIR PRIMARY MISSION WAS THE ASSASSINATION OF CUBAN PREMIER FIDEL CASTRO, WITH THE SECONDARY MISSION BEING THAT OF BLOWING UP THE POWER GENERATORS THAT SUPPLY THE ELECTRICITY TO HAVANA. WERBELL, AT THE TIME, STATED THAT HE WAS TRYING TO GET THE "GREEN LIGHT" FROM THE CIA TO PROCEED WITH THE MISSION, AND INFERRED THAT THE MISSION WOULD BE ABORTED IF SUCH APPROVAL WAS NOT OBTAINED. (NOTE: THIS AGENCY WAS NOT IN CONTACT WITH WERBELL IN ANY WAY WHATSOEVER IN THIS ENDEAVOR.)

6. IN EARLY 1969 WERBELL WAS IN THAILAND REPRESENTING HIMSELF AS VICE PRESIDENT OF SIONICS, INC. OF ATLANTA, GEORGIA. HE DESCRIBED HIMSELF AS A COUNTERINSURGENCY EXPERT, CLAIMED TO BE A RETIRED

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COLONEL, AND INTRODUCED HIMSELF AT A LOCAL NIGHTCLUB AS THE CHIEF OF CIA IN THAILAND. {NOTE: WERBELL WAS NEITHER THE CIA CHIEF OF STATION IN THAILAND NOR AFFILIATED WITH CIA IN ANY WAY.} WERBELL ATTEMPTED TO SELL EXOTIC WEAPONS TO THE THAIS AND TO TRAIN THEM IN COUNTERINSURGENCY WARFARE. Y

7. WERBELL ALLEGEDLY OPERATES THROUGH A NUMBER OF FRONT BUSINESSES, ONE OF WHICH IS CALLED THE CENTRAL INFORMATION AGENCY {CIA}. IN SOME OF HIS DEALINGS WERBELL BROADLY HINTS THAT HE HAS CONNECTIONS WITH THIS AGENCY. Y

8. THIS AGENCY HAS INFORMATION FROM THE FBI CONCERNING SOME OF THE TYPES OF WEAPONRY THAT WERBELL PURPORTS TO SELL. THE FBI HAS ALSO PROVIDED THE CIA WITH NEWSPAPER CLIPPINGS. INFORMATION WILL BE MADE AVAILABLE TO YOUR REQUESTS. WE ARE FORWARDING TO YOU. Y

~~9. IF ANY FURTHER INFORMATION IS FOUND IN OUR FILES ON THIS SUBJECT IT WILL BE FORWARDED TO YOUR BUREAU.~~ Y

10. CLASSIFIED BY RECORDED REPORTING OFFICER. EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF E.O. 11652 EXEMPTION CATEGORY 5B {2}. IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION. Y

DATE: 1 FEBRUARY 1977
ORIG: BILL WAGNER:MM
UNIT: C/LA/SB/CH
EXT: 1471

C/LA/SB

C/LA/COG/OPS- WM. DEVINE {IN DRAFT}

SOG/G/MSS- D. BLOOMFIELD {IN DRAFT}

AGC/LA

C/PCS/LSN

C/LA

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OGC 77-0704

1 February 1977

MEMORANDUM FOR: Deputy Director for Operations

ATTENTION : Associate Deputy Director for Operations

FROM : Walter T. Lloyd
Associate General Counsel

SUBJECT : Mitchell Livingston Werbell, III

1. As you are aware, on the instruction of United States District Judge Peter Fay (Miami, Florida Division), incident to the Drug Enforcement Administration's prosecution of Subject for conspiracy to import and distribute multi-ton loads of marijuana, the undersigned made a detailed review of the files of this Agency concerning Subject in August 1976. This examination was to ascertain any data that ran to Werbell's guilt or innocence of the offense charged and any other data reflecting the nature of the relationship between Werbell and the U.S. Government. This latter requirement was grounded on the Court's view that Werbell's voluntary reporting to the Agency and any government condonation of his activities might be exculpatory in the eyes of the jury.

2. In response, we reviewed the files, identified Agency contacts with Subject and prepared two affidavits: one regarding non-employment by Mr. B. DeFelice and the second regarding Werbell's relationship to the Agency by the undersigned. Copies are attached. During the trial the first affidavit was shown to counsel for Werbell by DEA counsel, Mr. Sam Sheres, at which point defendant's counsel stipulated that Werbell was never a formal employee of the Central Intelligence Agency. Sheres subsequently returned the affidavits to the undersigned at the conclusion of the trial.

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3. Regarding the relationship of Werbell to the Agency, as approved by the Deputy Director, the undersigned appeared before Judge Fay in his chambers on 31 August and under oath answered questions of the Court concerning Werbell. A copy of the transcript of that proceeding is attached. You will note that Judge Fay requested that all pertinent government records be made available to the Court for its inspection. Accordingly, copies of Agency files were reproduced, culled for "Brady-type" documents, excised to protect sources and methods under the "SWP case criteria" and reviewed and approved by Assistant DD/O on the evening of 1 September. These processed documents were then handcarried to Miami by the undersigned on 2 September.

4. The undersigned advised Judge Fay at 0830 hours on 2 September that I had in my possession copies of all of the Agency files on Werbell, had culled them as to possible "Brady" documents and was prepared to review them with the Judge at his convenience. He was on the bench with a tight schedule and asked that the possible Brady documents first be reviewed by Karen Atkinson, the principal counsel for the prosecution. The undersigned subsequently briefed Atkinson on the nature of data in the possible Brady documents. This resulted in a significant reduction in the number of possibles. The undersigned gave Atkinson copies of the four unclassified OGC documents related to the DOD revocation of Werbell's security clearance in 1971. In addition, Office of Security documents edited and approved for release to Werbell under his Freedom of Information and Privacy Act request (Tabs A and B of OS response), consisting of media publications and security investigative data, were also provided Atkinson. Due to counsel for Werbell raising an issue on Werbell's use of a boat named "Venus" belonging to CIA, a declassified copy of the OS short investigative report outlining data concerning Werbell's use of the Venus to transport arms was also provided Atkinson. The related OS Headquarters assignment document was not provided. Related DDO documents on the ownership of Venus by the "JURE" Cuban group were mentioned to Atkinson but not made available.

5. While the above documents were provided the Department of Justice with the understanding they could be passed to Counsel for Werbell due to subsequent events noted below, it is not certain that this occurred. Specifically, the undersigned declined to release additional "Brady" documents without consultation and instructions

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from the Court. The requested meeting was put off by Judge Fay and defendants subsequently rested their case. The DOJ had little else to add and the case went to the jury about noon on 3 September. All the remaining copies of Agency documents were returned to Headquarters by the undersigned the evening of 3 September. On 4 September the jury returned a verdict of "not guilty." As a result, the bulk of "Brady-type" Agency documents on Werbell was not provided to counsel for Werbell and Judge Fay reviewed no Agency documents. It should be noted all copies of documents taken to Miami were excised in accord with the "SWP case criteria" and on return to Headquarters, these were destroyed by the undersigned.

6. As a related matter, on 16 November Mr. Arthur Egbert of the Internal Security Division of the DEA contacted the undersigned seeking background information on Werbell. The undersigned suggested Egbert first review the files of the FBI on Werbell as most of the data we have is contained in FBI reports. Should FBI data be insufficient for his needs I suggested he seek access to our files in DDO and Office of Security via the normal DEA Department of Justice liaison channels.

Walter T. Lloyd

Walter T. Lloyd

Attachments:
(1) Affidavit - DeFelice
(2) Affidavit - Lloyd
(3) Transcript of Hearing of USDC for Southern District of Florida, August 31, 1976.

cc: Jerry Brown, SAG/OS, w/o atts
Ed Montgomery, LD/SBCH/DDO, w/o atts

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OGC 76-0844

24 February 1976

MEMORANDUM FOR: Chief, SOG
Chief, DCD
Chief, LA Division

11-4003

SUBJECT : Mitchell Livingston Werbel III

1. I was advised by the Justice Department on 23 February that Werbel has been indicted and the trial is scheduled to begin on 29 March in Miami, Florida. The charges relate to importing and distributing quantities of marijuana. With Werbel's propensity to raise his past affiliations with the Agency, we can anticipate problems during this trial. An additional problem is presented because Werbel is defended by Edwin Marger who was the defense attorney for John Hawk in the B-26 case in Buffalo, New York in 1966. It was Edwin Marger who subpoenaed the CIA General Counsel as a defense witness.

2. The Justice Department has received information that a person either currently or formerly affiliated with the CIA has been participating in Werbel's meetings with his attorney. It would be appreciated if all addressees could review their holdings on Werbel and determine if there is any validity to any recent contacts with him. I would urge that instructions be sent to Miami that no, repeat no, contact with Werbel take place between now and the beginning of the trial.

3. It would be helpful if each addressee could prepare a summary of the various contacts Werbel has had with CIA in the past. Please check to see if you have any information on a Colonel Bayard who was killed in Atlanta, Georgia during the summer of 1975. Bayard, reportedly an associate of Werbel's, had previous contacts with the Agency. It would be appreciated if your responses could be received by close of business 2 March.

John K. Greaney
Associate General Counsel

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CITE: WASHINGTON

MESSAGE REFERENCE NUMBER: 814069

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TO: LA/MIAMI.Y

FROM: LA/CAR Y

SUBJECT: MITCHELL LIVINGSTONE WERBEL III Y

REF: UFPA-1860, 9 JUNE 1975 Y

1. MITCHELL LIVINGSTONE WERBEL III, WHO IS ONE OF THE PERSONS MENTIONED IN THE DEA REPORT QUOTED IN THE REFERENCE, HAS BEEN INDICTED ON CHARGES RELATING TO THE IMPORTATION AND DISTRIBUTION OF MARIJUANA. Y

2. WHILE WE HAVE SO FAR UNCOVERED NO BKHERALD CONNECTION WITH WERBEL, THE DEPARTMENT OF JUSTICE HAS RECEIVED INFORMATION THAT A PERSON EITHER CURRENTLY OR FORMERLY AFFILIATED WITH BKHERALD HAS BEEN PARTICIPATING IN WERBEL'S MEETINGS WITH HIS ATTORNEY. Y

3. FURTHERMORE, SINCE WERBEL HAS IMPLIED (APPARENTLY FREQUENTLY) IN THEPAST THAT HE HAS HAD BKHERALD CONNECTION OR SUPPORT IN HIS QUESTIONABLE ACTIVITIES, LARGELY INVOLVING ARMS AND AMMUNITION, THERE IS A [redacted] POSSIBILITY THAT HE MIGHT ATTEMPT IN ONE WAY OR ANOTHER TO IMPLICATE BKHERALD IN HIS CURRENT PROBLEM. WE THEREFORE REQUEST THAT YOU COMPLETELY AVOID WERBEL OR ANYONE

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RECORD COPY

27 Feb 76

201-259910

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CLAIMING TO REPRESENT HIM SHOULD HE ATTEMPT SOME CONTACT WITH THE STATION. (DCD/MIAMI WILL RECEIVE SIMILAR INSTRUCTIONS.) Y

4. THE COS HAS BEEN INFORMED OF THE FOREGOING AND CONCURS. Y

5. FILE: 201-259910. E2,IMPDET.A

DATE: 26 FEB 76
ORIG: L. BURNETT/JP
UNIT: LA/CARI
EXT: 1497

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RELEASING OFFICER — COORDINATING OFFICERS — AUTHENTICATING OFFICER

CLASSIFICATION

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MESSAGE REFERENCE NUMBER 760309

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TO: FR/NEW YORK INFO NICOSIA.Y

KEYWAY FORRES

REFS: A. FR/NEW YORK 33363 [IN 758465] (BEING RELAYED TO NICOSIA)

B. DIRECTOR 769406

C. DIRECTOR 670514 (NOT NEEDED NICOSIA).Y

1. PRIOR TO RECEIPT REF A, HQS ADVISED BY SECRET SERVICE THAT THERE HAD BEEN NO FURTHER DEVELOPMENTS IN REF B CASE CONCERNING EMMANUEL KASSELAKIS AND STAVROS SYKOPETRITIS AND THAT KASSELAKIS' STORY NOW CONSIDERED TO BE BOGUS. SECRET SERVICE FURTHER ADVISED THAT KASSELAKIS PROVIDED OTHER INFORMATION WHICH ALSO CONSIDERED SUSPECT CONCERNING ARMS TRANSACTIONS AND THAT THIS INFORMATION PASSED TO NEW YORK BASE. SECRET SERVICE SUBSEQUENTLY CONFIRMED THAT REF A INFORMATION WAS RECEIVED FROM KASSELAKIS.Y

2. UNABLE TO IDENTIFY GEORGE STRATOS.Y

3. FOR FR/NEW YORK: WEEBLER UNDOUBTEDLY IS MITCHELL L. WERWBELL (201-259910) OF REF C.Y

4. SAMUEL SCRIVENER JR., WASHINGTON ATTORNEY, EMPLOYED BY BKHERALD IN EARLY 1950'S AS CONSULTANT.Y

DATE:
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RELEASING OFFICER

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5. UNABLE TO IDENTIFY DOMINICAN COMPANY.
201-257910;

6. FILE: 201-889547; X REF 201-060338. E2 IMPDET.

anw

DATE: 18 DECEMBER 1975
ORIG: DAVIS/WARD/AMW
UNIT: E/GC
EXT: 1441

OPS/LSN/ID(IN SUBSTANCE)

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T 504725 EIA377 PAGE 01 IN 758465

TOR:1218352Z DEC 75 NYFR 33363

S E C R E T 0217592 DEC 75 STAFF

CITE FR/NEW YORK 33363

TO: DIRECTOR.

KEYWAY FORRES

PROCESS FILE COPY FOR
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1. LOCAL SECRET SERVICE REPORTS FOLLOWING FROM INFORMANT OF ESTABLISHED RELIABILITY. ONE GEORGE STRATOS, LOCAL GREEK-AMERICAN ORCHESTRA LEADER, VISITED CYPRIOTE AMBASSADOR DIMITRIOU IN WASHINGTON CA, 28 NOV TO SOLICIT HIS WILLINGNESS PURCHASE 25 THOUSAND M-16 RIFLES AT $215 EACH . TRANSACTION TO BE CONSUMATED OUTSIDE U.S. DIMITRIOU DECLINED ON GROUNDS PRICE BUT REQUESTED STRATOS SUBMIT PROPOSAL FOR MANUFACUTRE AND SALE OF "HIGH-POWERED MARK I AND II HAND GUNS". WEAPONS WOULD BE MANUFACTURED BY DOMINICAN COMPANY, TELEPHONE NUMBER 532-1019 RPT 532-1019. STRATOS AGREED WORK UP DETAILS.

2. ADDITIONAL DETAILS PROVIDED BY INFORMANT: ONE OF NINE PARTNERS OF STRATOS IS ONE MITCH WEEBLER, WHO STRATOS CLAIMS IS FORMER BKHERALD. STRATOS WASHINGTON ATTORNEY IS SAM SCHREIVNER (PHON), TELEPHONE (202) 296-2950. STRATOS CLAIMED M-16'S AND 462 M-60 MACHINE GUNS. HE ALSO WISHES SELL REPRESENT U.S. ARMS LOST INDOCHINA.

3. SECRET SERVICE OFFICER (WHO OF GREEK BACKGROUND) REPORTS STRATOS WAS CLOSE TO PAPADOPOULOS GOVERNMENT AND NOTES THAT LARGE

S E C R E T

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7-71 WFG. 2/75

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T 584725 E1A377 PAGE 02-02 IN 756465

TOR:022183Z DEC 75 NYFR 33363

AMOUNTS OF U.S. ARMS WERE DISCOVERED MISSING FROM GREEK ARMORIES WHEN NEW GOVERNMENT TOOK INVENTORY IN 1974.

4. NO FILE: E2 IMPDET

3.41

SECRET

## The Owner of Guns Seized In 1974 Will Sell Them

MARIETTA, Ga., Sept. 4 (AP) —Mitchell L. WerBell 3d of Marietta has agreed to quit the arms trade, which in the past has frequently involved him in international intrigue.

In a deal worked out yesterday before a Federal judge, Mr. WerBell agreed that he would stop manufacturing and selling guns if the Government allowed him to sell $325,000 worth of arms seized by Federal agents last December.

The guns, called "the largest collection of private guns in the world" by Mr. WerBell and Federal attorneys, include 2,000 machine guns and silencers.

Mr. WerBell said his company, Defense Systems International, Inc., would continue "to do what we have always done —serve this country."

He said he and his sons have plans to sell radios, electronic equipment and military supplies not covered by the agreement.

NY TIMES 5-9-75

3,40

14-00000

FBI

[redacted] CABLE

DATED 25 JUNE 1975

SUBJECT: MITCHELL LIVINGSTON WERBELL III WILLIAM MARTIN BELL NEUTRALITY MATTERS-GRENADA

FBI document dated 8 July 1975
from Atlanta, Ga.

3 Newspaper Articles Appearing in
<u>The Atlanta Constitution</u> forwarded.

S E C R E T TELEPOUCH

DISPATCH NO: UFPA-1860

FILE NO : 200-11-11/17; 196-9-1

DATE : 6 JUNE 1975

TO : CHIEF, LATIN AMERICA DIVISION

FROM : ACTING CHIEF OF STATION, LA/MIAMI

SUBJECT : DEA/MIAMI REPORT ON POSSIBLE PLOT TO OVERTHROW THE GOVERNMENT OF GRENADA

1. STATION HAS RECEIVED A REPORT FROM DEA/MIAMI ON A POSSIBLE PLOT TO OVERTHROW THE GOVERNMENT OF GRENADA. STATION CONSIDERS THE REPORT SUSPECT BUT HAS SUGGESTED TO DEA THAT SINCE FBI AND STATE DEPARTMENT HAVE AN INTEREST IN SOME OF THE INDIVIDUALS MENTIONED IN THE REPORT THAT A COPY OF IT BE MADE AVAILABLE TO THEM. STATION ALSO PASSED TO DEA A LIST OF QUESTIONS FOR THEIR USE WHICH MIGHT ASSIST THEM IN OBTAINING FURTHER DETAILS ON THE PLOT AND HAS OFFERED TO PROVIDE THEM WITH PERTINENT INFORMATION THAT MIGHT COME TO OUR ATTENTION THROUGH STATION SOURCES. CORRECT NAME OF THE PROMINENT CITIZEN OF GRENADA MENTIONED IN PARA 3 OF THE REPORT IS KEN MILNE.



3.37 cs copy to LA/MARC 10 June 75 196-9-1

2. FOLLOWING IS TEXT OF THE REPORT, DEA MIAMI SEC-5-75-0-253, OF 4 JUNE, SENT TO DEA HQS AND FIELD STATION BALTIMORE AND ATLANTA; DEA HQS REQUESTED PASS TO CARACAS REGION: "SUBJECT: MITCHELL L. WERBELL III., ET AL FILE NO. G1-75-0105:

"IN THE COURSE OF DEVELOPING A MARIHUANA SMUGGLING CONSPIRACY INVESTIGATION, MITCHELL L. WERBELL, III., ET AL, G1-75-0105, THE MIAMI REGIONAL INTELLIGENCE UNIT HAS UNCOVERED INFORMATION CONCERNING A PLAN TO OVERTHROW THE INDEPENDENT GOVERNMENT OF GRENADA,

"THE PLAN, AS OUTLINED BELOW, IS A COMPOSITE OF INFORMATION RECEIVED FROM ONE WILLIAM BELL, A DEFENDANT IN THE SUBJECT INVESTIGATION, VIA HIS CONVERSATIONS WITH UNDERCOVER AGENTS AND A COOPERATING INDIVIDUAL,

"THE PLAN CALLS FOR THE LANDING OF 36 ARMED MEN ON GRENADA DURING THE LATE EVENING HOURS OF A SATURDAY IN MID OR LATE JULY 1975. THE REVOLUTIONARIES WILL APPEAR TO BE SCOTTISH MERCENARIES, BUT IN FACT WILL BE AMERICANS. THE LANDING TIME WILL COINCIDE WITH THE NORMAL SHUT DOWN TIME OF THE ISLAND'S RADIO STATION. THE PRIMARY OBJECTIVES OF THE LANDING GROUP

WILL BE THE RADIO/COMMUNICATIONS FACILITIES, AIR AND SEA PORTS. BELL WILL HEAD AN ASSASSINATION SQUAD WHICH WILL BE DIRECTED TO KILL 21 POLITICAL AND GIVERNMENT FUNCTIONARIES. THE PLAN ANTICIPATES HAVING FULL CONTROL OF THE ISLAND BY THE TIME THE ISLAND'S RADIO STATION WOULD NORMALLY GO BACK ON THE AIR ON SUNDAY MORNING. THE COST OF THIS OPERATION IS REPORTED TO BE 3 MILLION DOLLARS. ONE KEN MILL OR MILLS (PHONETIC), A PROMINENT CITIZEN OF GRENADA IS REPORTED TO HAVE CONTRIBUTED ONE HALF MILLION DOLLARS TO THIS OPERATION, AND WILL BE PUT UP AS THE HEAD OF THE NEW GOVERNMENT IF THE TAKEOVER IS SUCCESSFUL. BELL STATES THAT HE WILL BE ASSUMING CONTROL OF THE ARMED FORCES AND POLICE AGENCIES OF THE NEW GOVERNMENT. BELL IS BELIEVED TO BE MANUFACTURING WEAPONS AND PARTS FOR WEAPONS, WITHOUT SERIAL NUMBERS, FOR THE OPERATION AT DEFENSE WEAPONS INTERNATIONAL ENGINEERING AND RESEARCH INC., P.O. BOX 771 DEERFIELD BEACH, FLORIDA, WITHOUT THE KNOWLEDGE OF THE FIRM'S MANAGEMENT. WERBELL'S ROLE IN THE OPERATION IS UNKNOWN AT THIS TIME.

"WERBELL, MITCHELL LIVINGSTON III, WHITE MALE,

U.S. CITIZEN, A FORMER WWII OSS OFFICER, BORN 3/8/18 AT PHILADELPHIA, PA., 5FT 6 1/2 INCHES TALL, 155 LBS., BROWN HAIR, BLUE EYES, RUDDY COMPLEXTION, GRADUATE OF FORK UNION MILITARY ACADEMY, RICHMOND, RA., AND THE CHARLES PRICE SCHOOL OF JOURNALISM (EXTENSION OF THE UNIVERSITY OF PENNSYLVANIA), AND RESIDENT AT POWDER SPRINGS, GEORGIA. WERBELL DOES NOT HAVE AN FBI CRIMINAL RECORD, ALTHOUGH A 7/1/73 MIAMI HERALD TROPIC MAGAZINE ARTICLE REPORTED THAT HE AND SEVEN OTHER PERSONS HAD BEEN INDICTED FOR CONSPIRACY TO VIOLATE U.S. NEUTRALITY LAWS, BUT THAT THE CHARGES WERE DROPPED ON THE ORDERS OF THEN ATTORNEY GENERAL RAMSEY CLARK. HIS INDICTMENT WAS REPORTEDLY THE RESULT OF HIS INVOLVEMENT WITH A HAITIAN REVOLUTIONARY GROUP DURING 1966. A 1974 ESQUIRE MAGAZINE ARTICLE DESCRIBES WERBELL'S INVOLVEMENT IN A COVERT POLITICAL MOVEMENT TO GAIN INDEPENDENCE FOR THE ISLAND OF ABACO IN THE BAHAMAS. WERBELL IS ALLEGED TO BE A REGISTERED DEALER AND/OR MANUFACTURER OF WEAPONS.

"BELL, WILLIAM MARTIN, WHITE MALE, BORN 6/27/28, 6FT 2 INCHES TALL, 230 LBS., GRAY HAIR, NORTH CAROLINA DRIVERS'S LICENSE NUMBER 2198096; RESIDING AT 4412 WATERBURY ROAD,

RALEIGH, NORTH CAROLINA; BELIEVED TO BE AN EX-MARINE CORPS PILOT AND OWNER OF THE MARINE REALTY AND DEVELOPMENT CORPORATION, US ROUTE 1 - NORTH, RALEIGH, N.C.; BELL HAS BEEN ARRESTED BY THE RALEIGH PD ON THE FOLLOWING CHARGES: CARRYING A CONCEALED WEAPON AND DRIVING UNDER THE INFLUENCE - 1973; AND ISSUING A WORTHLESS CHECK - 1967. BELL DOES NOT HAVE AN FBI CRIMINAL RECORD.

" IN APRIL 1975, IN ALLEGED FINANCIAL DIFFICULTY, WERBELL CONTACTED AN MIAMI R/O COOPERATING INDIVIDUAL AND REQUESTED THE C/I'S ASSISTANCE IN SMUGGLING MULTI-TON QUANTITIES OF COLOMBIAN MARIHUANA INTO THE U.S. MIAMI R/O U/C AGENTS, ACTING AS PILOT/SMUGGLERS AND COLOMBIAN SOURCE OF SUPPLY, HAVE BEEN CONDUCTING NEGOTIATIONS WITH WERBELL AND BELL CONCERNING THE FINANCING, AIR SMUGGLING AND DISTRIBUTION OF MARIHUANA. OTHER INDIVIDUALS INVOLVED IN THE CONSPIRACY TO DATE ARE WALLY GILLIS, BELIEVED TO BE SUBJECT OF NADDIS RECORD NUMBER 121267, AND A RICK STEVENS AND A WILLIAM JORDAN, WHITE MALES, 20'S; NO ADDITIONAL ID DATA AVAILABLE AT THIS TIME.

"CONSPIRACY INVESTIGATION IS CONTINUING. ADDITIONAL INFORMATION RELATIVE TO NEUTRALITY VIOLATIONS WILL BE FORWARDED

T 076101 EIA497 PAGE 06-06 H 34586

TOR:0914042 JUN 75 UFPA-1860

UPON RECEIPT, ONE U/C AGENT (PILOT) HAS BEEN APPROACHED BY BELL TO TAKE PART IN THE GRENADA OPERATION.

"S.R.F. MIAMI BRIEFED VERBALLY CONCERNING GRENADA INFORMATION THIS DATE. A COPY OF THIS INFORMATION WILL BE FURNISHED TO U.S. CUSTOMS, ATF, AND S.R.F. AT MIAMI. JOHN A. LUND JR., REGIONAL DIRECTOR".

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3 - C/LAD VIA TELEPOUCH E2, IMPDET.

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SECRET

24 March 1975

MEMORANDUM FOR THE RECORD

SUBJECT: Alleged Activities of Walter Mackem

1. During the week of March 9, I lunched with Mr. Wesley Dyckman. Dyckman is a former Agency staffer currently employed by the Drug Enforcement Agency. During the course of our luncheon conversation, the name of Walter Mackem came up. Dyckman told me that Mackem, a JOT classmate of ours, had been fired by the Agency. According to Dyckman, Mackem is now employed in the Washington area as a private investigator. In addition, according to Dyckman, Mackem is involved with a paramilitary activity funded by some unnamed British source. The activity, which Dyckman referred to as "the new land project" seeks to establish a tax shelter on one of the out-islands of the Caribbean by forcefully taking over the island and establishing a government there. Mackem is supposedly involved in paramilitary training of forces who would participate in this paramilitary adventure again. According to Dyckman, the paramilitary training supposedly takes place in Georgia not far from Atlanta.

2. This is the extent of my conversation with Dyckman on the above subject and I have no further information or details concerning this.

Joseph P. Hayes
SE/PCH

Orig - OS/SAG
1 - SE/SEC
1 - LA/SO
1 - Hayes

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TO: FR/NEW YORK. Y

AJAJA FORRES Y

REF: FR/NEW YORK 30417 |IN 511214| Y

1. NO ADDITIONAL HQS TRACES ON EDGAR LEMMENS AND CO. OTHER THAN CONFIRMATION THAT IT LICENSED DEALER OF ARMS LOCATED IN TIRLEMONT, BELGIUM AND THAT IT IMPORTED FROM NEW YORK TO BELGIUM A SILENT SUB-MACHINE GUN WHICH LATER SHOWED UP IN SPAIN CONNECTED WITH BASQUE ASSASSINATION. Y

2. MICHELL L. WERBELL, III (201-259910) IS PARTNER OF DEFENSE SYSTEMS INTERNATIONAL INC. OF POWDER SPRINGS, GEORGIA, A LICENSED ARMS DEALER. HE BORN 8 MAR 1918, PHILADELPHIA. HQS HAS LENGHTY 201 ON WERBELL WHO HAS LONG HISTORY POPPING UP IN AREAS AND SITUATIONS WHERE CAN MAKE FEW FAST BUCKS. HE CHARACTERIZED AS UNSCRUPULOUS, WHEELER-DEALER AND PROMOTER OF GRANDIOSE SCHEMES. HE OF OPERATIONAL INTEREST IN MID-1959 WHEN BECAME INVOLVED WITH ANTI-CASTRO PLOTTERS IN DOMINICAN REPUBLIC AND OFFERED PROVIDE BKHERALD WITH INFO ON REVOLUTIONARY ACTIVITIES IN CARIBBEAN. HE GRANTED POA IN AUGUST 1959 BUT THIS CANCELLED OCTOBER 1959 WHEN HIS INFO PROVED BE OF

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LITTLE VALUE AND IT SUSPECTED THAT HE USING BKHERALD FUNDS TO PROMOTE PERSONAL INTERESTS. EVER SINCE, BKHERALD HAS BEEN DISCLAIMING WERBELL ~~WHO HAS~~ REPEATEDLY ATTEMPTED PROMOTE SELF AS REP OF LNBUZZ AND BKHERALD. SINCE MUCH OF BKHERALD INFO ON WERBELL ORIGINATES LNERGO, WE SUGGEST LNERGO REP/NEW YORK PERFORM TRACE THROUGH HIS OFFICIAL CHANNEL. (ABOVE INFO MAY NOT BE PASSED FOREIGN NATIONALS BECAUSE WERBELL WODUAL CITIZEN.) Y

3. ONLY TRACE ON MITCHELL WERBELL IV IS THAT HE ALSO INVOLVED IN/FATHER'S ARMS BUSINESS TRADE. HE HAS HAD NO CONNECTION WITH BKHERALD. Y

4. FILE: 201-918287, E2 IMPDET.H

LA/FE

NE/SO

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CNE/ARN

FR/B 2

CA/DCNE/AO

DATE: 17 MARCH 1975
ORIG: WENDY RAHMN
UNIT: NE/ARN/I
EXT: /R 1386
C/FR/B2

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STAFF

T 831008 EIA365 PAGE 01 IN 511214

TOR:241600Z MAR 75 NYFR 30417

SECRET 0413352 MAR 75 STAFF

CITE FR/NEW YORK 30417

TO: DIRECTOR,

AJAJA FORRES

REF A. UNDW-6325

B. FR/NEW YORK 30022 (IN 473676)

1. SUBJ REFS, ALA-AL-DIN AL-TAYYAR OF THE IRAQI MUN. IS STILL OF CURRENT INTEREST TO FBI WHICH HAS HIM UNDER PERIODIC OBSERVATION. TAYYAR HAS BEEN IN BAGHDAD ON HOLIDAY FOR PAST SEVERAL WEEKS AND FBI HOPES MAKE OPERATIONAL APPROACH TO HIM SHORTLY AFTER HIS RETURN NEW YORK IN NEXT WEEK OR SO. DURING 25 FEB MEETING WITH FBI COUNTERPARTS, TERPOS AGAIN REITERATED BKHERALD INTEREST IN TAYYAR SAYING HE DEFINITELY WOULD LIKE CONTACT TAYYAR IF FOR SOME REASON FBI DECIDED NOT TO. FBI CONTACTS SAID MATTER WOULD BE RESOLVED ONE WAY OF ANOTHER IN NEXT FEW WEEKS AND THEY WOULD ATTEMPT ASSIST TERPOS IN THE CONTACT IF FBI GAVE TAYYAR UP.

2. FBI ALSO INFORMALLY ASKED FOR TRACES OF FOLLOWING INDIVIDUALS/COMPANIES WHICH REF B CONTACT OF TAYYAR (WILLIAM A P I K I A N) HAS CONTACTED RE PURCHASING ARMS:

A. MITCHELL WEBELL, III AND IV

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TOR:0416002Z MAR 75 NYFR 30417

DEFENSE SYSTEMS

POWDER SPRINGS GEORGIA.

LNERGO SOURCE SAID WERBELL (EITHER OR SON) FORMERLY WORKED FOR BKHERALD. ALSO MADE OFF THE CUFF REMARK THAT "DEFENSE SYSTEMS CO" SOUNDED LIKE BKHERALD FRONT ORGANIZATION.

B. EDGAR LEMMENS AND CO.

BELGIUM

FBI HAS INFO FROM BELGIUM SECURITY THAT LEMMENS AND CO. IN THE PAST HAS PROVIDED ARMS FOR THE IRA AND THE BASQUE INDEPENDENCE MOVEMENT.

3. FILE: 201-0918287. E2 IMPDET

14-00000

# The Amazing New-Country Caper

by Andrew St. George

*Capitalist revolution, the ultimate solution*

For the first time in history, the successful managers of America's economy—its entrepreneurs, financiers, merchandisers, investors—are talking rebellion. A kind of rebellion, anyway. There is no call to subvert the Republic, only to abandon it. In increasing numbers, America's most affluent and active elites are threatening to withdraw their funds, their assets, ultimately even themselves and their families from the centers of the U.S. economy, which many of them seem to consider done for. Nicholas von Hoffman, the acerbic and preternaturally foresighted columnist of *The Washington Post*, found that in some of mid-America's best executive clubs, "There is talk of buying gold coins and keeping them in the office safe, of owning a piece of land to retreat to when the trouble starts." The hero of the year's most durable best seller, *You Can Profit From a Monetary Crisis*, by Harry Browne, is "Peter Panic," the quintessential American small investor. He is in flight from his own national economy. Transferring every penny he owns from U.S. investments into Swiss banks and South African gold stocks, Peter Panic practically doubles his worth from 1970 to '73; then he is ready to take the most important step—to find himself a secluded rural retreat to weather the nation's coming troubles.

But retreat *where*? That's the basic problem none of these doomsayers grapples with. A seventy-five-thousand-dollar-a-year man who pulls up lock, stock and bond investments to move to a secluded farmhouse may find there a measure of protection from random violence—or he may find, if real trouble starts, that in his isolation he's utterly defenseless.

Unless, of course, he has planned ahead—as far ahead and as carefully as the originators of what one can only call, for the moment, the Abaco Plan (it remains to be seen by events, of course, whether the Abaco planners were as wise and prescient as they were farsighted and careful). The originators of the Abaco idea were the first to implement the urge to abandon America with a concrete design, including a destination, provision for personal and financial safety, monetary reward and even a Utopian social program. Though the men behind Abaco are nearly the opposite of the commune-seekers of the late Sixties and early Seventies, their objectives are much the same. They seek a way out and a return to fundamental values, but their most fundamental value is the proposition that each of them should be many times a millionaire, untroubled by inflation.

By the time you read this, the men of Abaco may have accomplished the first stages of their program (in which case you will have read about them in the newspapers)—or they may have failed and be in the process of regrouping. But I'd like you to meet them as I did, at a lunch in Washington, D.C., last May.

*"Cry 'Havoc!' and let slip the dogs of War"?*

No, sir! Not here in Duke Zeibert's place you don't; this well-bred Washington restaurant admits no animals. Not even if they're wearing eighty-dollar Church's shoes. Not even if they happen to be the familiar old two-legged war hounds who were made immortal in the Shakespearean line, and who are being made fashionable again this year by the success of Frederick Forsyth's latest book, *The Dogs of War*.

Here we are in 1974, murky, angst-ridden, confusing old '74, and with Forsyth's novel a best seller, hailed as "soon to be a major movie," deferentially praised for its "reportorial realism," more and more people are talking about "the dogs of war" as if they knew what the phrase meant: an international conspiracy of financiers and killer commandos who wage mercenary mini-wars in the quest for maxi-payoffs. What nonsense! A drink at Duke Zeibert's polished bar will give us a better view of reality than Fred Forsyth's collected works.

Take Mister Mitchell Livingston WerBell here, a ruddy, jovial, moustached chap, sipping his prepprandial Tanqueray martini extra dry. It's obvious that if there were anything doggy or bellicose about WerBell, he wouldn't be lunching where he is—at the head of the old Duke's prize front corner table.

Or take the tall, well-tailored man sitting next to WerBell. It is plain at a glance that he looks and—having just been overheard asking, "May I have the pickles, please?"—sounds like a patrician



233

London clubman. And that's just what he is: Robert Hamilton, Baron of Belhaven and Stenton, a distinguished member of the House of Lords.

In fact, a good look at the legendary Mitch WerBell—millionaire firearms tycoon, designer of the world's best muzzle silencer, adventurer, friend of dictators and C.I.A. agents, manipulator of the luck of small nations—and at the seven men who are his luncheon guests today reminds us that, in real life, the strategy of private wars demands, first of all, *finesse*.

In Forsyth's telling, "the dogs of war" get together only to make hard-boiled conversation about "knocking off an entire republic" with the aid of World War II machine pistols laboriously concealed in oil drums. WerBell's world is different. A top executive of Defense Services International, Military Armaments Corporation and Sionics Inc., he designs and manufactures his own weaponry, which are recognized all over the world as the most sophisticated small arms obtainable. Having acquired a taste for irregular warfare as an O.S.S. commando leader behind Japanese lines in World War II, WerBell is rumored to have taken a hand in a long string of mini-wars since then, from the South China Sea to the Caribbean and the Mediterranean. But WerBell frowns on crass badinage, especially with food. At Zeibert's the table talk is mostly about gastronomy today, in part because the dill sours and soft-shell crabs are truly remarkable, in part because the host at the neighboring table is Clifton Daniel, the silver-haired Washington bureau chief of The New York *Times*.

But by the time coffee and Courvoisier arrive, Daniel and his party depart. WerBell lights a finely veined Montecruz double corona. "I talked to the island today," he says, and suddenly the table is all attention.

"The island"—that's what this lunch is all about. The island is Abaco; not yet an independent republic, nor a center of commerce and finance, but by no means a negligible coral hump, either. In fact, Abaco is the second-largest landmass in the Bahamas—Great Abaco and Little Abaco, surrounded by a sprinkling of small reefs and cays, over seven hundred square miles of fertile tropical paradise. Mitch WerBell and his guests have come to Washington to discuss a project straight out of a Forsyth script: the take-over of Abaco—an action that will allow these men to get themselves and their money profitably out of the U.S.

To be sure, any resemblance to popular fiction stops short with the basic idea. Commando politics is dead. It will no longer do to break open a case of bootleg hand grenades and storm the palace. In fact, Abaco *has* no palace. What it does have is six to seven thousand native inhabitants who lead lives ranging from quiet stagnation to mute poverty.

To be conquered, Abaco must be attacked—that fundamental aspect of territorial expansion has not changed in four thousand years—but in an age of psychological warfare, motivational research, subliminal propaganda and behavior modification, the tactics must be different. WerBell's first assault on Abaco has been psychological. With great skill and ruthless persuasiveness, the citizens of Abaco are convinced, step by step, that they must become an independent nation; that becoming an independent nation is the greatest, most rewarding thing in the whole wide world; that it is *they*, the citizenry of Abaco, who must urgently need and demand and fight for status as a self-governing commonwealth.

"I talked to the island for almost an hour this morning," WerBell repeats gently, now that everyone around the table is watching him with close attention. "They finally got the slips. They've already distributed half of them. They'll make a one-spot run this weekend and see how they *score*. They think it'll be sixty to sixty-five percent."

No translation is needed. As the Watergate tapes have demonstrated, men who share a secret scenario come to share a secret language, as if by osmosis. WerBell's remarks reveal that he has had a long-distance conversation this morning with one of his chief operatives on Abaco, using a clear phone line—i.e., a connection involving untapped phone numbers. (If the conversation had not involved a key agent on Abaco, and if the phone had been suspect, the conversation would have been brief.)

The agent on the island—most likely C. R. "Chuck" Hall, who has served as WerBell's principal operative on Abaco during most of the Summer of 1974—reported that the special courier who occasionally arrives from Miami aboard a small amphibian seaplane, bringing consignments which the Nassau authorities are not supposed to see, had delivered a shipment of blank survey forms. These polling slips, devised by a prestigious U.S. opinion-research firm, are to monitor sentiment on Abaco in favor of independence—not just once, but week by week, as WerBell's psywar campaign unfolds.

Furthermore, WerBell learned this morning that a test sampling focused on a single Abaco settlement, perhaps Marsh Harbour or Fox Town, had been scheduled by his agents on Abaco for the coming weekend. The organizers expected to poll between sixty and sixty-five percent in favor of independence—an impressive score, reflecting the fact that the covert political campaign of WerBell and Co. is in its sixth month.

Are these people *serious*? They are indeed—not merely serious but experienced, powerful and farsighted. Three of WerBell's luncheon guests are former C.I.A. career officers, all three recently retired from its clandestine services branch, where they acquired invaluable experience in the manipulation, dismantling and rearranging of governments. John Muldoon, who is WerBell's principal agent in Washington, has served as a PolAd—a political adviser—in Vietnam and Africa. Walter Mäcken has seen similar duty in a number of Southeast Asian countries, and Ted Roussos, a tanned, greying man, has been a senior C.I.A. clandestine services official in the Mediterranean—Italy, the Balkans, above all Greece—for almost twenty years before he retired last year to join, ostensibly, the management of the Astor, Washington's best Greek restaurant, long owned by his family.

These men are not war hounds or gunslingers. Their ethos and telos thrust not toward violence but toward *control*. They are technetronic conflict managers—planners, organizers, and only occasionally the manipulators of violent action. Muldoon is a tall, pink, deep-chested Irishman faithfully cast in the mold from which most of the chief inspectors of large American police departments seem to spring. Mäcken looks like an Ivy League graduate instructor, blond, button-down, horn-rimmed, alert, with a Hong Kong Racquet Club tie to match his navy blazer. The pipe-smoking Roussos, in his flawlessly cut English tropicals, demonstrates what the French mean when they say



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distingué—the aging Charles Boyer plunked in a spy scenario, looking not so much the part of James Bond as his enigmatic superior, M. All three follow WerBell's briefing with small nods and half smiles of approval.

WerBell talks on, his eyes on the pearl-grey ash of his cigar, his growly voice low. There's work to be done—lots of it. The day known as U.D.I.—that is, the date when Abaco breaks away from the Commonwealth of the Bahamas, the Unilateral Declaration of Independence—is tentatively set for New Year's Day of 1975. The operations required to seize control of the island have been disguised as the "uprising" of an "autonomous, locally organized independence movement" with such amazing skill that none of the world's major press has spotted what is going on. A number of seemingly local organizations and deceptively "ad hoc" groups have sprung up to handle those activities that cannot be kept from public view—propaganda, organization, and so forth. There are: the Abaco Independence Movement (known as A.I.M.); the Abaco Development Council; Friends of Abaco; the "Prosperity '74" Economic Conference on Abaco.

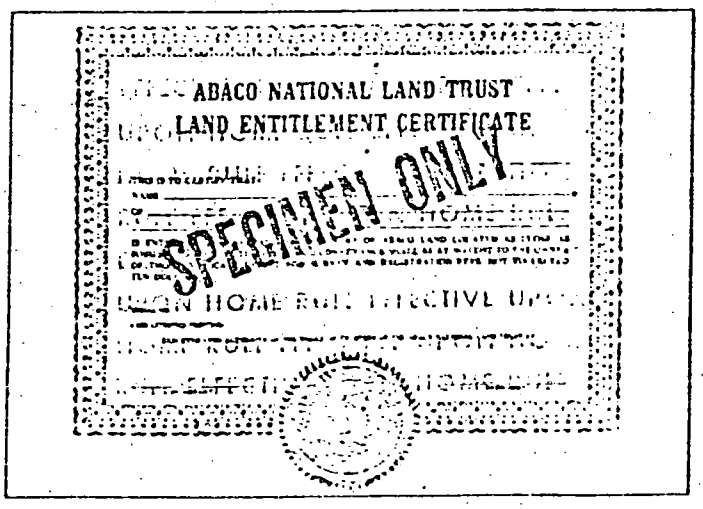
Every one of these cover organizations has been clandestinely created, financed and managed from WerBell's headquarters in Powder Springs, a suburb of Atlanta. To coordinate their activities—propaganda, recruitment, proselytization, the importation of distinguished guest speakers from the U.S. who preach the independence gospel buttressed by a variety of economic and political promises—a carefully camouflaged "forward headquarters" has been set up in Miami. A large, deceptively suburban house at 1666 S.W. Twelfth Street hides a high-powered SSB radio station, a "dispatch center" for handling cargo traffic with Abaco via a small seaplane, and a halfway house for promising independence militants who are discreetly flown to Miami. On arrival, the independence activists are either enrolled in political indoctrination courses held in Miami, or, having been provided with plane tickets under various cover names, they are flown farther north to a training base near Atlanta, where they receive paramilitary training under the command of a former U.S. infantry officer, Col. Robert Bayard.

Col. Bayard, a tall, leathery man in the Gary Cooper mold, with grey eyes and a shock of reddish brown hair, is the officer in charge of "special personnel." Young, muscular, unattached Abaconian independence enthusiasts, whose commitment to the cause of U.D.I. is especially strong, are given seven weeks of supersecret instruction in the use of small arms, demolition devices and other commando skills at the proving grounds of Mitch WerBell's arms company. Proving grounds? Well, WerBell makes plenty of gadgets that bear testing. His companies produce a deadly sniper rifle, "accurized," automated, utterly silent, with the built-in capability of plugging a beer can at a thousand yards—"We guarantee *this* much," says WerBell—and a special sighting device which enables the rifleman to fix his target day or night. With Gordan Ingram, WerBell has designed and produces the incredible Ingram, a miniaturized submachine gun no larger than the familiar .45 service automatic, eight hundred rounds per minute, the whole shooting match about as noisy as a very fast Ping-Pong match—"pac . . . pac . . . pacpacpac"—the barrel is a patented WerBell silencer. There is plenty of "sophisticated equipment" to test. But among visitors who have been invited there more than once, the place—electronic security fencing, the dog patrols, the imperious warning signs, the helipad for combat choppers, the airstrip for the company Learjet—among people who call Mitch by his first name, the place is known as "the farm."

Training special personnel is a rigorous regime, and Col. Bayard keeps himself in shape; at Zeibert's he takes grilled liver and a single beer, and lunches in silence, seldom intervening in the discussion, occasionally glancing at his wrist chronometer—he must be back at the farm by nightfall, and as a mere colonel, he must "fly commercial"—no Learjets pre-warmed on the ready strip.

Setting out the final phases of the Abaco take-over campaign, Wer-

Abaco's head honcho: millionaire, ideologue and philosopher Michael C. Oliver.




Ah, yes, the seven thousand native inhabitants; after the revolution, every Abaconian will get a certificate like this one, worth one acre of homestead land absolutely free.

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Bell sounds as smoothly and playfully Machiavellian as the senior account executive of a medium-sized ad agency plotting a tricky but not really *make-or-break* media blitz. The support of the locals is essential: "To get it, we're gonna change their self-image." It's easy; just listen. We're gonna use only the *truth*. Abaconians think of themselves . . . well, as people of *modest* means. In reality, they're beggars hunkered on a mountain of gold. And this is by no means another hollow hype. No effective psywar concept is.

Stretching across the central and southern reaches of Abaco there are 300,000—*three hundred thousand*—acres of undeveloped prime land, potentially, and by no means unrealistically, worth hundreds of millions of dollars. This is virgin soil. Under British colonial rule these were crown lands, reserved for the sovereign, and now, under the newly self-governing Bahamas Commonwealth, administered by the Pindling government in Nassau, they're still government land, strictly no trespassing for private citizens.

Just suppose, the scenario goes, that on January 1, 1975, good old torpid hung over "sorry-general-the-switchboard-is-closed" New Year's Day, Great Abaco and Little Abaco and all the lesser cays, reefs and coralback adjacent thereto, declare themselves an independent republic. This vast virgin acreage would be—*up for grabs*. Every native-born Abaconian could line up for his divvy.

"Will he get it?" asks Ted Roussos at the restaurant.

"Ohoho, you bet your boots," says WerBell. "Here, see if I can find this stuff. . . ." He flips through his attaché case, custom-made by Peal's of London, pulls out some gold-rimmed, elaborately printed bonds. "Here. . . . the Abaco National Land Trust Beneficiary Share Certificate. And here's the other gizmo, the Land Entitlement Certificate. This says every native Abaconian adult gets his one-acre homesite free and clear after independence. And on the beneficiary share, he'll get some of the major lease revenues. Here's the tender, lays it all on the line. You bet they'll get a share. Provided, the tender says right here, '*Provided that the political situation in Abaco is just and fair.*' "

"Just and fair," says Roussos softly. "Of course, just and fair. If the National Land Whatnot gives each native a one-acre homesite, it will give them all, man, woman and children all together, one percent of their own land. Who will decide what's *just and fair?*"

"Ah . . . probably I will."

There he is . . . the low voice, the bony figure in the forty-nine-dollar Robert Hall drip-dry suit, the jacket bulge between chest and armpit contouring not the familiar shoulder holster but a Hewlett-Packard minicalculator: Mike Oliver *likes* sitting at the far end of the table with a notebook beside the butter plate. He has lunched here prudently and salubriously on nothing but cold fish and iced tea and with a health-conscious frown for the vapor of two-dollar cigars, staring intently at every speaker in turn, now staring at Ted Roussos over the remains of his cold jellied salmon with the deep-eyed concentration of a man whose daimon senses a challenge. "You have a good point, a small point but a good point. 'Just' and 'fair' are only words until somebody decides what they are supposed to mean. On Abaco, I will decide. That's the *big* point, isn't it?"

Right you are, Mike. Chesty Mitch WerBell and Big Jack Muldoon and Smart Walt Mäckem and Courtly Lord Belhaven in their bespoke three-hundred-dollar suits and club ties and hand-rubbed Peal's cases, and Bob Bayard in his craggy silence, and all the other N.C.P. staff (New-Country Project is what *that* stands for) and special personnel drawing contract pay on or about Abaco are ultimately only meant to enforce what Mike Oliver considers just and fair and desirable. Ted Roussos knows it, too; he resigns from the project the day after the luncheon meeting. But no one else does. Why should they? Mike Oliver is here, after all, not just as the founder and constitutional creator of a perfectly serious American new-country movement, but in representation of a powerful syndicate of financial backers. It is, above all, Oliver who is making independence an imminent reality for the citizens of Abaco, most of whom have never heard his name.

But among the driven, troubled, questing financiers of America, Oliver is more than a name. To many business leaders he's a miracle worker, a minor prophet on the crumbling walls of the city, a far-sighted sentry registering the approach of the forces of darkness. For a specter is haunting America—a new apparition of four space-age horsemen: Inflation, Unemployment, Depression and Chaos. And providentially, at this critical juncture in mid-1974, Michael C. Oliver, in association with Mitchell WerBell, offers the driven rich an alternative: not just some backcountry hidey-hole, but citizenship and residence in an entirely new country; a newborn commonwealth wholly dedicated to the protection of private wealth and the survival—indeed, the *revival*—of the classic free-enterprise system.

Long before the Dow hit the five hundreds, and coffee went up to fifty cents a cup, long before old people began eating dog food and farmers dumping their calves into ditches, Mike Oliver foresaw that the free-enterprise economy was doomed in America. It sounded strange at first, coming from Mike Oliver, this single-minded belief in devaluation, decline and fall, for in the mid-Sixties the dollar was still the fixed star of the economic firmament, the U.S. economy was booming, and Oliver himself seemed the very embodiment of the American dream of success: a European immigrant to the U.S. at eighteen, he had made his first million by thirty (real-estate development, construction) and 1965 saw him living on a charming wooded estate in Nevada with a pretty wife named Betty and three lively children. Approaching fifty, Oliver was the president of several medium-sized corporations, a settled, influential community leader and the employer of a ravishingly beautiful secretary named Vicky Jo Todd, who was crowned Miss Nevada in 1970. Yet for almost ten years, where other businessmen and economists saw only progress and prosperity, Oliver divined a long-range trend toward depression and disaster.

Worldwide travel and an intense reading of economics helped convince him by 1965 that, as he told a visitor years later, "They're going to screw up the money." He felt certain that debauchery of the dollar would lead to political crisis, inflation, and ultimately to some sort of dictatorship.

"Once I saw that the dollar was kaput, that whatever the government did would only make matters worse, I dumped my stocks and bonds and switched to a strong position in gold coins. Everyone laughed, except my friends; my friends said I'd gone crazy. Well, as you know, it turned out that I'd made some pretty sharp bets in the money market, and instead of calling to suggest where I could get some psychotherapy, my friends called to *(Continued on page 151)*



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(Continued from page 61) ask where I was getting my investment tips. And, while I began making some real money by '69-'70, it wasn't because I had good financial advice. Just the opposite was true: all the investment advisers and trust officers and analysts and forecasters and market consultants were betting the other way, they couldn't read the handwriting even when their noses were against the wall, and so—I beat the market. Let me tell you, not many people do. And the way it happened, it wasn't any tips or charts or portfolio managers; what really happened was that by 1965 I'd become a student—a *disciple*, really—of Professor Ludwig von Mises."

Professor von Mises, the longest-lived (ninety-two), most prolific (nineteen books) and least self-effacing economist of the Austrian School founded by Bohm-Bawerk, died in 1973 in New York City (where he'd been teaching since 1940) just as, after a half century of obscurity and neglect, his teachings began to enjoy a renaissance here, much the way Karl Marx came into vogue in Eastern Europe at about the time the siege guns of the Red Army became audible in the distance.

Had more people listened to Von Mises in time, there would be more gold millionaires like Oliver today, and although not many did, the professor's tiny coterie of admirers often compared him in epochal stature to Karl Marx—a Marx of ultraconservative capitalistic convictions, of course.

Von Mises was a polymath and his teachings are complex, but some of the principal doctrines are not difficult to grasp. Von Mises believed that human freedom and laissez-faire capitalism were one and the same thing. He had passionate, sacramental faith in the market, not as a mere institution—the sort of vulgar "computer" seen by Keynesians which the government can tinker with whenever it needs to—but as a metaphysical process which regulates all human affairs. Much as one cannot hope to fix a fine watch with a bung starter, Von Mises was convinced that government could not intervene in economic affairs, in the providential workings of the market, without causing damage. "Interventionism" was a self-defeating, vicious circle: the first governmental intrusion into business necessitated a second to stem the ravages of the first, then a third one to undo the worst consequences of the second; then a fourth intervention to alleviate the trauma of the third . . . Von Mises despised "interventionists," the whole brainless, snivelling lefty lot of economists, bankers, policy planners, sociologists, who advocated governmental participation in *anything* with an economic aspect; he even opposed free public education above the grade-school level. And Von Mises was evangelical in his belief that unless mankind learned to value, adopt and defend laissez faire capitalism as its paramount social system, it was headed for chaos and slavery.

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Chaos and tyranny—that is what Mike Oliver foresaw as early as 1968, the inevitable result of America's "interventionist" and "collectivist" fiscal debauchery. That he made millions of dollars in gold profits along the way did not really reassure Oliver, it merely confirmed his premonitions. Of course, the profits helped: to people who tend to think in terms of money—that is, most of us—they seemed to prove that Oliver had something.

To tell the world what he had, Oliver wrote a book in 1968: *A New Constitution for a New Country*. Printed privately, never noticed in a book review, written in pedestrian declaratory style, the book has thus far sold 19,400 copies through the mail—proving that there does exist that contradictory thing, a genuine underground best seller.

The subtitle on the cover reads: "Has the Time Come To Abandon the United States?" Oliver's answer is a firm "Yes." The book tells why, and how. "The United States can no longer be saved from severe crisis. . . . Though not yet under complete tyranny, prevalence of totalitarian ideas and increased use of suppressive measures prove that the end of freedom is in sight [in America]. . . . [Only] those who arrange for a timely departure will escape the coming horror."

The book is not a tract; it's a plan of action. If Ludwig von Mises is indeed the Karl Marx of monetary libertarianism, and Harry Browne, the best-selling author who invented Peter Panic, perhaps its Bakunin, its prolific pan-destructionist, then Mike Oliver is its Fidel Castro—the ultimate militant who redefines the doctrine in terms of total action. Browne's book, advocating that self-sufficient people withdraw to "retreat homes" for safety, has snowballed into an all-season best seller; but it's Mike Oliver who is about to show them how to do it.

"The person with self-respect has a right to preserve his life and freedom," Oliver's book reassures the reader. "But he has no duty to stay in a country whose government policies will destroy him."

The country Oliver is describing isn't Nazi Germany; history is a cruel joker—this time around, it's the United States. "Means for effective action to save freedom in the United States in the foreseeable future no longer exist. Thus, the freedom-loving person has no choice: leave, or be destroyed."

Fortunately, "a surprising number of nearly uninhabited, yet quite suitable places for establishing a new country still exist. . . . The exact location of the new country cannot be revealed at this time. Yet, one has but to look at the western hemisphere to find that places for establishing a new, *fair-sized* country still exist."

And now, that "fair-sized country" has been found. Its conquest is within Mike Oliver's reach. How things have changed in the few years since 1968! A powerful consortium of frightened new-country seekers, wealthy and influential men who would have laughed at Mike Oliver's strictures a short while ago, are supporting his campaign with money and anything else that might be required. Whatever you need, Mike; just say the word, Mike. And the most important acquisition of Oliver's well-endowed New-Country Project has been the meeting and the alliance with Mitch WerBell and *his* semi-business, paramilitary organization. Now it's the Oliver-WerBell organization, at least so far as Abaco is concerned. Special personnel are interviewed, recruited, briefed: Walter Mackem, the scholarly young ex-C.I.A. officer leaves for the Bahamas on his first assignment, Big John Muldoon rents a suite in the Lafayette Building in midtown Washington, Ralph McMullen is dispatched to Miami, along with a pale, quiet former British intelligence officer known only as Grant who is a communications specialist hired to run wireless traffic with the WerBell-Oliver organization's agent network on Abaco . . . *coded* wireless traffic, five-digit groups and all that jazz, the way a proper intelligence station does it. The skeptical Ted Roussos is soon replaced with another U.S. ex-intelligence officer who is not merely enthusiastic, this lean young hard-charger named Charles Boyle, he is, best of all *black*; off he goes to work among the silent, sun-wrinkled fishermen and lobster trappers of Abaco.

And yet who but Mike Oliver is destined to comprehend it, to encompass it, to direct it all? Who but Oliver understands that the campaign for Abaco is not another banana-republic land grab, that this is an ideological, yes, a *moral* movement? Who makes sure that the ideas of free enterprise and unfettered market capitalism find *some* expression in every leaflet, pamphlet or newsletter that the Oliver-WerBell organization produces for distribution on Abaco? AIM DEMANDS CONSTITUTIONAL CHANGES WHICH WILL ELIMINATE THE POWER OF GOVERNMENT TO ARBITRARILY LIMIT PERSONAL RIGHTS! AIM DEMANDS AN IMMEDIATE END TO GOVERNMENT OWNERSHIP AND CONTROL OF BUSINESS ENTERPRISES. AIM DEMANDS THE ESTABLISHMENT OF A 'LAND TRUST!'

Do the silent, bare-legged men and women of Abaco really demand all this? Why ask? Mike Oliver has it all thought out for them. *Auteur* of a remote-controlled independence scenario, he means to be a *bon patron*—not just the remote manipulator, but in time the efficient and productive manager of the affairs of Abaco. One question remains to be settled here at lunch.

"We are sure that our special personnel will seize and hold control on Abaco when U.D.I. comes," Oliver says, turning directly to Lord Belhaven. "What I'm still worried about is the attitude of the British government. The Pindling regime in Nassau will urge military intervention by the British when they realize that their constabulary is no match for our men. We want to be sure that intervention does not take place. Do you think you can do it?"

Lord Belhaven is an urbane, unflappable veteran of over ten years in the House of Lords. He is an enormous improvement over the first British lobbyist Oliver attempted to retain to represent the interests of the Abaco campaign in London—a Scotsman named Colin Mitchell with a reputation for being mean-tempered and overbearing, a late lieutenant colonel of the Argyll and Sutherland Highlanders who was serving a term in Parliament as a Conservative.

Colin "Mad Mitch" Mitchell was a shock. Brought over to WerBell's Atlanta estate on the usual all-expenses-paid trip to meet some of Abaco's sponsors, Mitchell turned out to be abrasive and relentlessly acquisitive. To help Abaco along, he wanted a large fee . . . a very large fee. His visit was not a success.

Lord Belhaven is different. Keeping an eye on Oliver, calmly but as carefully as the American is watching *him*, he decides not to explain the complexities of influencing Her Majesty's Government. "Oh, absolutely," he tells Oliver with an encouraging smile. "Not to worry. I don't think London really cares what happens in the Bahamas, you know—too many bloody miseries at home. I've already tabled a question on Abaco for next week in the House, and we'll keep up the pressure, I'll promise you that. By the time U.D.I. is due . . . no, I don't think we should worry too much about serious trouble from London."

"Well, U.D.I. is all set: New Year's Day," says Oliver. His face is suddenly different; the intense stare turns into a warm, almost affectionate grin. "Until then, good luck, everybody, and back to work. There's lots to be done."

The men rise in silent agreement. The *Tischgespräch* is over: within twenty-four hours the Oliver-WerBell organization is back in high gear. The path to U.D.I. is lined with a thousand tasks; connections to be coupled, mingled parameters separated, contingencies replanned, "operational capabilities" to be "actuated."

Robert Anthony Carmichael Hamilton, thirteenth Baron of Belhaven and Stenton, jets back to London overnight, pensively sipping Isle of Islay Scotch in a front-cabin V.I.P. seat. A fortnight or so is spent planning and tabling motions, and on June 10, at half past two of the clock, with the House of Lords reassembled after the Whitsun recess, the Lord Chancellor on the Woolsack, the Bishop of Portsmouth having read the proper prayers, Lord Belhaven rises to address the peers of the realm in a voice of singular gravity:

"My Lords, I beg leave to ask the Question which stands in my name on the Order Paper. The Question was as follows: To ask Her Majesty's Government what representations they intend to make to the Government of the Bahamas urging them to cease their harassment of the people of Abaco."

Lord Goronwy-Roberts, parliamentary undersecretary of state, stands to respond for the government: "My Lords, the Abaco Islands are an integral part of the Commonwealth of the Bahamas, which became an independent sovereign



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State on July 10, 1973. It would therefore, be appropriate for Her Majesty's Government in the United Kingdom to seek to intervene in the internal affairs of the Bahamas."

Lord Belhaven and Stenton: "My Lords, I thank the noble Lord for that reply and appreciate what he says. . . ." And although the people of Abaco have not, on the recent record, demonstrably suffered harassment, and Lord Belhaven knows it, there is a subliminal sense in which it's all quite true. To lure the government into proclaiming and reiterating the principle of nonintervention in the newly independent Bahamas is one of the subtler goals of Lord Belhaven's strategy.

Lord Goronwy-Roberts is densely, gratifyingly energetic about it all: "My Lords, this is the case of an independent country. . . . My Lords, independence is independence." If that dictum hardens into dogma, if only by sheer force of repetition, the Oliver-WerBell organization will have a free hand on Abaco: Washington, for its part, is not likely even to consider intervention. In the meanwhile, Lord Belhaven has once again, as on a number of previous occasions, impressed upon the House of Lords that the plucky, oppressed little Abaco *suffers*.

In Powder Springs, Georgia, where Col. Bayard is sweating five special personnel trainees from Abaco down at the machine-gun range behind the fishpond of Mitch WerBell's farm, it is nine o'clock in the morning. Dusty, strained, popeyed from the jabbing of rapid-fire recoils, the colonel and his boys, whose diurnal "duty tour" begins at six a.m., take a break. In boxy little electric carts of the sort used by golfers, they roll silently across the close-cropped lawn of the WerBell estate, up to the manor house where they draw "midmorning rations"—country ham sandwiches, pecan biscuits, cold milk in fourteen-ounce glasses. Then it's down to the rifle range for three hours of marksmanship instruction with a remarkable training device devised by WerBell himself: a standard 7.62 N.A.T.O. military rifle converted to fire .22 long-rifle cartridges. It's a low-cost, low-noise, practically recoil-free way to teach a man how to hit a Dr Pepper can at seventy-five yards with a military firearm, and it works; the men who make it through this drill are thereafter known, in the special WerBellian nomenclature compounded from the lingo of World War II, Korea, Vietnam, and the intelligence establishment's invisible war, as "sniper qualified." They are, too.

Six hundred miles or so southward as the courier plane flies, the Oliver-WerBell organization's Miami headquarters is humming with activity. Vicky Jo Todd, the long-legged, melting-diamond-eyed Miss Nevada of 1979—who, having married one of Mike Oliver's young vice-presidents, is now known nonprofessionally as Mrs. Ralph McMullen—is busy preparing a "packet pickup" for the pilot who makes the biweekly liaison-plane run to Abaco. Into the carefully masking-taped cargo cartons go letters to agents on Abaco; spare parts for a shortwave set on the blink; books (Ayn Rand: *For the New Intellectual*); packages of bumper stickers and windshield stickers for panel trucks apostrophizing the Pindling government's incompetence and corruption, written by Oliver's executive assistant Dave Scholl; and bunches of other goodies best shipped directly and informally since they would only annoy the Bahamas government if spotted passing through the regular customs channels.

Two weeks have passed since that table d'hôte at Duke Zeibert's, and Mike Oliver, having flown more than twenty thousand miles, is back in Washington at the Gramercy Inn (single room, $28.50) talking on the phone to Mitch WerBell, who is also back in Washington but at the grand luxe Madison Hotel (Monroe Suite, $95 daily). Oliver is expecting an important visitor—important because, however well devised and executed the Abaco plan may be, it cannot succeed without investors and colonists—new citizens for an all-new country. This afternoon there is to be a "participant briefing" for just such a prospect. He is Frank Bond of Baltimore, owner of Holiday Spas, a far-flung physical-culture chain. Bond, a spectacularly successful young tycoon known to hold strong libertarian views, has expressed his interest in buying a share of the Abaco project, and I am able to sit in on the briefing while Oliver explains his dreams for the future of Abaco.

Frank Bond arrives late, after eleven at night, accompanied by a short, greying lawyer and an air of coiled impatience. Bond is young, unexpectedly young for a self-made millionaire, slim, dark, dressed in a black suit which looks rich but somehow too *nouveau*. He has already had at least one long talk with Oliver, but the attorney, as he puts it, "knows from nothing" about Abaco. It's just as well, for assembled to greet the two potential participants there are Col. Bayard, Mitch WerBell and of course Oliver—a synergized trio wound up to deliver a socko briefing.

The lawyer begins with the usual question about Abaco as a potential tax shelter, and Oliver fields it with practiced ease.

"Keep in mind what we are building on Abaco is not a tax-shelter nation," he says. "It's a tax-free nation. Have you read any of our planning papers? Have you seen my book? The constitution? No? Well, maybe Frank told you"—the lawyer shakes his head dubiously. "Anyhow, basically what we are structuring on Abaco is this . . . maybe I better read it to you from the constitution . . . '*Preamble: We, the people of Abaco*' . . . and so on . . . here '. . . *that the only true and proper function of government is to protect its citizens from force and fraud, and that this government is limited to that function only.*' And here on the next page: '*Government is limited to protection against force and fraud, and may not impose any social or economic structure upon any persons or entities within its jurisdiction . . .*' because, you see, we say here further down that government

. . . *hired by participants to protect . . . personal rights against external and internal force and fraud.*'"

"What you mean to say . . ." says the lawyer.

"Well, for instance, you see what we mean if you go to page thirty-eight," Oliver overrides him. "Here Article Twenty-seven says—this is *Fiscal Matters*—that '*No government agency, branch or level shall pass any law, regulation or other restriction with the effect of establishing a legal tender or otherwise requiring the acceptance of any form of money, currency, coin or other medium of exchange; except as provided by voluntary contracts or by mutual consent voluntarily arrived at between persons or entities.*' And here, down at paragraph four: '*The financing of government activities shall be accomplished by voluntary payment of premiums by persons wishing to participate in the services of government. . . .*' Do you follow what this means? First off: the government of the independent Republic of Abaco will have no power to issue money. This is *very* important, more important than . . . Frank knows how important this is. Private financial houses will issue all our money and they'll guarantee it. There will be no Federal Deposit Insurance on Abaco, no government loan guarantees or banking regulations. Nothing like the Federal Reserve. No central bank, as you can see—no central bank, no involvement with the International Monetary Fund."

"The money will be backed in gold," says the lawyer questioningly.

"The money will be *in* gold, at least some of it," says Oliver. "Some of us who were the first participants have drawn up the charter for a bank, and we will issue the 'rand,' the basic unit containing .23 troy ounces of gold—a handy medium-sized coin worth about fifty dollars at present rates. Named after Ayn Rand, you understand, not after the South African rand. There'll be quarters and perhaps quintals, the quintal worth just about ten dollars. Then of course we'll have to have paper money, backed either in gold or other stable assets. All fully gold-convertible—you want your wages in gold, you just pay the issuer a visit."

"And if an issuer defaults . . ." says the lawyer softly.

"They won't default," says Oliver. "The assets will have to be there, covering the value of the issue, and if there's any funny business, it's long jail terms for everybody and his accountant—that would be first-degree fraud. But of course self-regulation will probably suggest that issuers carry bankruptcy insurance for triple safety—*privately* written insurance, mind you."

"And public services—I'm thinking of the police, the judges, garbage collection, you know what I mean—those will be financed by whom?" asks the lawyer.

"They'll be financed by voluntary premiums," says Oliver. "Voluntary in the sense that you go shopping voluntarily—nobody rattles handcuffs at you to make you buy groceries, but you buy some just the same, week after week.

Those who pay the yearly premiums will be known as 'participants' and they'll be entitled to the service the government provides; those who don't, won't be. Whatever services private business can provide competitively will be left to private enterprise."

"Like the police?" the lawyer smiles. "There's a cute deal—if you don't pay your premiums, they can't arrest you for overtime parking."

"Well, no. Not really," says Oliver. "They can't arrest you for overtime parking *anyhow*, because this government won't have the right to tell you how long you should stop your car at the curb—why should it? But if you're guilty of force or fraud, you'll be arrested whether you are a paid-up participant or not. What a nonparticipant won't have will be the right to conduct civil litigation, to set up a surrogate trust, to collect damages on a tort, and so forth."

"What sort of a government will it be, anyhow?" asks Bond. "I mean as an organization. How will it be run?"

"Well, in some ways it'll run just like the government here," says Oliver. "Just like the U.S. Government. The constitution calls for a bicameral legislature. An assembly elected on a proportional basis and a senate. And there, you see, the similarity stops. Abaco will have no foreign service like the State Department, only trade representatives in countries where business demands it. It will have no public school system. Beyond the fourth grade, there'll be only private schools, privately maintained."

"No school system," says the lawyer. "Why not?"

"Because what is called the school system in the United States is really an indoctrination system," says Oliver. "It's a system for bureaucrats to brainwash young people in favor of collectivism and statism."

"And socialism," says Bond approvingly.

"Yes. In the high schools and colleges, in favor of outright socialism," says Oliver. "This is not to say Abaco won't have an educational system of its own kind, but every school will have to be financed privately, by the families of the students or private benefactors. It will mean, here and there, some hardship, some long-term borrowing, maybe—and *that* will be made feasible at very low interest, I expect—but collectively it will mean the survival of freedom in its one essential provenance—in the minds of the next generation. Because, you see," Oliver holds his bony finger before his face to silence all interruptions, "Abaco is not going to be another banana republic. That's not the point; I wouldn't spend an hour's time just to make some money that way. The point is that the Republic of Abaco will be, first of all, a moral experiment, a place where we'll try to keep individual freedom alive even if it doesn't survive in America."

"But won't you need an army?" says Bond doubtfully.

"Oh, sure, Abaco will have its armed forces," says Oliver. "We will call them peace-keeping forces, because that is what they will be. Abaco will never make war on another land. All volunteers, of course. Here soldiers start out all wrong. They are made to swear a mortal oath and stand to attention for the national anthem. Abaco won't have a national anthem, because the government of Abaco will have no suprapersonal, para-legal, special powers. It will function only as the hired servant of the participants who pay for it. The Abaco peace-keeping volunteers won't be made to salute any metaphysical emblems, or take theistic pledges the government has no right to invoke; they will sign a two-year or five-year or any-year contract, as the conditions may demand, just like any hired craftsmen. I suspect it will be a damn good little force."

"Well," says the lawyer, who has been glancing at his watch with rude frequency. "Well, Frank, if you think. . . ."

"Yes," says Bond, rising too. "we gotta go. Call you in the morning, Mike, and we'll talk."

"One more question," says the lawyer. "You got the natives, five, ten thousand natives. . . ."

"Seven thousand," says Mitch WerBell, "maybe eight or nine at the most, if some who are working in the hotels in Nassau return after independence."

"Right, say eight thousand natives," says the lawyer. "How can you be sure they'll buy all this—vote for your constitution and all that? After all, the place *belongs* to the natives."

"Well, we're training quite a few natives with leadership potential," says WerBell. "Political indoctrination, and so on. They'll organize a following, maybe half the population, that'll go along with us, vote the way they're supposed to. And Bob here, Colonel Bayard, he's also training some natives with good potential, except he's training *his* boys how to shoot at a moving target without missing. And we figure the natives who won't buy what we tell 'em—they'll listen to Bob Bayard's boys."

"Fine, call you tomorrow, nice to've metcha, bye. . . ." And Frank Bond and his counsel are gone. Mike Oliver is depressed. "God almighty, I talk too much. . . . What do you think, Mitch?" For an instant, he is as drained as an actor after the performance. "Shoot, Mike, you were *great*. . . ." WerBell is gung-ho as ever, but Oliver is already peeling off his shirt. "I'm going to bed. G'night everybody."

But at breakfast it's a different story. "Frank called before eight this morning—he's really turned on," says Oliver. "He's putting up ten thousand cash as a sort of foothold on Abaco, he said, and next week we'll talk serious money. He *loves* the project."

"As long as it looks like a good deal," WerBell growls in a hung over voice.

"That's what his lawyer said," Mike says happily. "And I told them, so, as long as you care for freedom, because *that's* the big point. And you know what Frank said? He said, 'Mike, you are *absolutely* right.'" ■

## THE WINNING OF CHER

(Continued from page 85) Records; Cher was with Sonny. They were already separated but Geffen didn't know this; he promptly fell in love. In September of 1973, the only date in his life that he remembers with any accuracy, Geffen, Bob Dylan and Robbie Robertson of The Band went to see Neil Young's show at Geffen's club, the Roxy. A friend told him Cher was alone and wanted to join them. "Cher said, 'Let's get together for dinner,' and we were never apart since," says Geffen with a small preen in his voice. After the taping of the last Sonny and Cher show, David and Cher surfaced together at the Grammy Awards. That produced the famous butterfly-emergent picture of Cher, bare midriffed, in white with a butterfly over one ear and another in her cleavage, and a shaved-for-the-occasion Geffen, in his sharpie tux, on her arm. It was Cher who talked him into the Corniche Rolls with the wire wheels. Cher who threw out all his shirts and dressed him. And now because of Cher and their mutual psychiatrist, Dr. Martin Grotjahn, he can go into this boutique on the Strip and have the two $345 suede jackets fitted and ask if they have a third so he will have *one in every possible color*.

While Cher brought him to this California ostentation and flat-out American exuberance, Ahmet Ertegun influenced Geffen in another way. Ahmet was so composed in his power, so relaxed at handling the totally wrecked rock stars who'd come crashing off planes, fall into his arms, rip the shirt off his dignified back and expect to be taken home for dinner. Even now with Ahmet, at a time when they still expect to be cochairmen of the Atlantic/Asylum board, Geffen gets that Brooklyn-boy look on his face as though he is going to ask, "Is this an ashtray?" before dumping his cigarette. His whole New York world of the high-up Pierre suite and the chauffeured car that is waiting, motor running, for Mr. Geffen when he emerges from Ahmet's town house at two a.m. is blown, and he is back to the time when he had gone to Ahmet in 1968. It was the second or third time they'd met, and Geffen, then managing Laura Nyro and supporting them both, was broke and trying to sell Ahmet an artist. Ahmet asked what it would take to keep Geffen going for a year. Geffen said fifty thousand dollars, naming the figure he had been making when he ran the Ashley Famous music department, the figure that represented wealth to him when he was a busboy in the Catskills and being rich meant having a Cadillac and living on Ocean Parkway. "If you earned fifty thousand dollars a year, that was the most any man could possibly ask for, and that was my goal," Ertegun took out his checkbook and wrote Geffen a personal check. He never allowed Geffen to pay it back. That was style. "He bought me for life," Geffen says. "Every artist I ever came up with after that I gave to Ahmet. I signed Crosby

25 January 1975

SUBJECT: Press Reports of Ex-CIA Employees Involvement with Persons under Congressional Investigation

1. Press reports of Sentator Lowell P. Weicker's investigation of CIA's involvement with other government agencies surfaced the contact of Lucien Conein of DEA, a former employee, with an electronic manufacturer named Michael Morrisey. The same reports have also tied Morrisey with a Mr. Mitchell L. WerBell, III, who, according to our files, has claimed United States Government and CIA connections in the past. According to DEA, WerBell recently invoked the Fifth Amendment when appearing before Senator Jackson's Subcommittee investigating DEA on whether or not he supplied arms to Robert Vesco. Also, while not mentioned in the press, at least one retired CIA staffer and possibly two others may have been involved with Conein and Morrisey. The ex-staffer is John P. Muldoon, a friend of Conein's, who currently is a private security specialist who has dealt with Morrisey in the purchase of audio sweeping devices for his business. Muldoon was retained by WerBell during first half of 1974. The other two, Walter J. Mackem, an acquaintance of Conein's, and a Theodore J. Roussos, both of whom were in contact with WerBell for possible employment in a scheme to promote the secession of the Bahamian Island of Abaco, an enterprise publicized in February 1975 issue of Esquire by Andrew St. George.

2. We have no information in our files on the B. R. Fox Company or the Fox Company principals mentioned in the press accounts. We were, however, told by DEA that Mr. Sandy Smith, Time magazine reporter, was working on a story to the effect that the late Bernard Spindel, former owner of the Fox Company, was previously involved in "wire tapping for the Teamsters Union and providing explosive devices for organized crime." Although Mr. Smith did not allege that either CIA or DEA were associated with the Fox Company or Spindel, our DEA source said that Mr. Smith had no intention of dropping the story and we can expect further press coverage.

3. In conclusion, there has been no CIA involvement with the B. R. Fox Company or with Michael Morrisey. Moreover, Mr. WerBell's claims of CIA affiliation or support over the years are simply not true.

3.32

14-00000

25 January 1975

SUBJECT: Mitchell Livingston WerBell III (201-259910)

1. Mitchell Livingston WerBell, who appeared in recent press reports has for over a period of ten years been claiming to be a representative of the United States Government and of CIA. The facts do not support this contention.

2. CIA first learned of WerBell in July of 1959 when he contacted General Cabel indicating knowledge of Cuban and Dominican affairs. Mr. Thomas J. Flores of LA Division was put in contact with WerBell and considered using him as an FI asset. A POA was granted on 7 July 1959 for this purpose. By October 1959 it was apparent that he did not have the access to information as hoped and he apparently looked upon his association with CIA as a means of furthering his various business schemes. All contact was then severed.

3. From that time until the present Mr. WerBell has cropped up in a number of nefarious activities whereby he inferred he had CIA connections or support. He was reported to have been involved in arms sales to Nicaragua and Guatemala, in efforts to gain recognition by certain South American countries of the Cuban Government in Exile, and in an abortive scheme to invade the Republic of Haiti in 1966. He also turned up in Thailand where he contacted the COS purporting to be a counter-insurgency expert. In 1971 the Deputy Assistant Secretary of Defense queried the Agency re Mr. WerBell, asking if WerBell had a contractual agreement or association with the Agency, as Werbell was awaiting a hearing before a Department of Defense Examiner related to his participation in the aboritve Haiti invasion. The Office of the General Counsel placed the matter in perspective. Subsequently, he contacted the Agency to request intercession on his behalf to have his security clearance reinstated which DoD revoked because of his Haitian caper. He was told this could not be done. In 1971 he again appeared in Thailand attempting to sell arms. In 1973 he was under investigation by U.S. Treasury Bureau of Alcohol, Tobacco and Firearms and by the United States Customs Service for activities relating to possible mercenary activities in Abaco Island, Bahamas. In this connection WerBell contacted three ex-CIA employees, John P. Muldoon, Walter J. Mackern and Theodore Roussos in a scheme to involve them in the activities of an organization called the Friends of Abaco (FOA) which is advocating the secession of the island from the Commonwealth of Bahamas.

14-00000



All three inviduals reported their involvement with the WerBell group and had sought guidance from the Agency. In May and June they were advised to break all ties with WerBell. On 27 June 1974 the FBI was formally apprised of WerBell's overtures for their collaboration in the effort to bring Abaco's secession. In September 1974 WerBell reportedly went to Greece to sell arms to the Greek Government. Most recently WerBell reportedly appeared before Senator Jackson's Sub-Committee investigating DEA and had taken the Fifth Amendment on the question of whether or not he had supplied arms to Robert Vesco.

14-00000

STATE DEPT. CABLE NASSAU 179
DATED 30 JAN 75
Subject: LOCAL REACTION TO ESQUIRE
MAGAZINE ARTICLE ON ABACO

FBI cable dated 24 JAN '75

Subject: Aladdin M. AL-TAYYAR
Internal Security - IRAQ

# DEA Was Offered Explosive Devices

By Lawrence Meyer
Washington Post Staff Writer

An Alexandria "electronics" firm attempted to sell an official of the Drug Enforcement Administration "assassination devices" designed to carry explosives in such unlikely places as a telephone handset, a cigarette pack or a flashlight.

The official, Lucien Conein, had gone to the firm last spring to inspect electronic surveillance equipment that DEA wanted to purchase, according to an agency spokesman, Robert H. Feldkamp. Conein and a second DEA official, Cyril Frank, also observed a demonstration of the explosive equipment but did not buy any of it, according to Feldkamp.

A catalogue of equipment apparently sold by the company, B. R. Fox, describes several devices designed to carry explosives triggered by time, movement, mechanical pressures, light, or audio mechanisms.

The catalogue states, "The devices have been designed and manufactured for sale to authorized agencies of the United States government, specifically intended for application outside of this country . . . The information contained herein is classified by the manufacturer for U.S. government use only. The handling and storage of this material should be done so mindful of its sensitive nature."

Feldkamp said that Conein and Frank observed a demonstration of "several" devices although Feldkamp said he did not know which devices they saw. Conein, a former employee of the Central Intelligence Agency, is acting chief of special operations and field support for the DEA's office of intelligence. Feldkamp said that Conein's office is the operational arm of the intelligence division and devises ways to penetrate illegal drug operations.

Conein was not available for comment. Feldkamp said that Frank "said emphatically that the demonstration was not requested."

Conein's reaction to the demonstration, Feldkamp said, was, "'Very interesting. However, that's not why I'm here.'" Asked why the demonstration was made by the salesman, whom Feldkamp said he could not identify, Feldkamp replied, "Like any good salesman, the guy was trying to make a sale. He was told DEA has not, will not, does not purchase that type of equipment."

The DEA did buy "a hundred bucks worth" of electronics surveillance equipment, which Feldkamp said is "frequently used [by the DEA] under court order."

Asked why Conein watched the demonstration, Feldkamp said, "You'd probably do the same thing out of curiosity or whatever."

Conein, a long-time employee of the CIA, left the agency in 1963 and joined the Bureau of Narcotics and Dangerous Drugs, DEA's predecessor, as a consultant in June, 1972, according to Feldkamp. According to testimony during the Senate Watergate committee hearings, Watergate conspirator E. Howard Hunt Jr. attempted to use Conein as part of an effort to discredit Daniel Ellsberg publicly.

According to Sen. Lowell P. Weicker Jr. (R-Conn.), who released information about the incident, Conein speculated that the Fox firm may have thought that Conein was still at the CIA.

Conein apparently did not report the demonstration of the equipment to anyone at the DEA. Weicker said he told DEA Administrator John R. Bartels about the matter on Monday and Bartels "was as shocked and aghast as most people would be," Weicker commented. "Things have come to a pretty sorry pass when people start peddling this stuff to law enforcement agencies and nobody thinks it strange. Bugging equipment can be used legally. There's no way this equipment can be used legally."

Feldkamp said "it wouldn't be within the purview of DEA as a narcotics agency" to review the legality of the explosive equipment.

A cover memo dated June 10, 1974, written on B.R. Fox stationery by a person Weicker identified as Mike Morrissey to Mitchell WerBell III, a Georgia armaments dealer, states that equipment in an accompanying catalogue of explosive equipment "was demonstrated to Lou in this office about three weeks ago . . . I bring this to your attention in case you have not yet seen the material. It is a listing of equipment that is available and planned for Lou up here."

WerBell, who said he made and sold silent automatic weapons to foreign countries with the approval of the federal government, said he had never seen Morrissey's memo because a former employee had intercepted it before WerBell could see it.

WerBell said that he had talked yesterday to both Morrissey and Conein. Conein, WerBell said, told him the equipment had never actually been made. "Lou's not in the assassination business and neither am I," WerBell said.

Morrissey could not be reached for comment.

Barbara Fox Spindel, whose home address is listed as the address for B.R. Fox Laboratories, said in a telephone interview last night that she had served as president of the company, founded by her late husband, but that she had disassociated herself from it last March because she and Morrissey could not get along. She said Morrissey withheld information from her about the firm's business.

Mrs. Spindel said that B. R. Fox is no longer functioning, that she knew nothing about the explosive devices and that she had never seen the catalogue listing them. "The people [illegible] surveillance devices. That's [illegible]," Mrs. Spindel said.

Mrs. Spindel said she saw men [illegible] several times [illegible] but she did not know what [illegible] are taking place. That's the weird part of all this," she said.

LANDSLIDE IN CANADA—This is all that remains of a street in Asbestos, a mining town.

# Cuba Seeking Trade For 'CIA Agent'

United Press International

Cuba is willing to release an alleged CIA agent in exchange for a woman who has been in an American jail for 20 years after taking part in a shooting spree by Puerto Rican nationalists in Congress, officials said yesterday.

So far, the officials said, there is no indication as to how the administration will respond to the offer by Cuban Premier Fidel Castro.

Castro's offer was interpreted as a deliberate effort to ingratiate himself with Puerto Rican nationalists who are opposed to continued U.S. possession of the island.

The woman, Lolinda [illegible], 55, was one of four Puerto Rican nationalists who [illegible] at random from a [illegible] in the [illegible]

[illegible] was convicted of [illegible] and was given a [illegible] sentence.

3.21

Washington Post
23 January 1975

14-00000

# IA Agent Contacted on Alexandria Firm's Assassination Equipment

masson
Staff Writer

ug official
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ency operat-
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gate conspirator E. Howard Hunt Jr. has been mentioned in connection with an attempt by an Alexandria firm to sell assassination equipment to the U.S. government.

Sen. Lowell P. Weicker Jr., R-Conn., disclosed today that Lucian Conein, director of special projects for the Drug Enforcement Administration, viewed the equipment manufactured by the now-defunct Alexandria electronics firm. But Conein denies he ever even considered buying any of the equipment.

Weicker released a catalogue of the devices which included such things as exploding cigarette packages and electronic booby traps for telephone receivers. The equipment was manufactured by the B. R. Fox Laboratories, which Weicker said went out of business three weeks ago.

**THE SENATOR**, a former member of the special Senate Watergate committee, charged that the existence of the catalogue and Conein's involvement in the incident raise serious new questions about the operations of federal law enforcement and intelligence agencies.

He also questioned a statement by Conein that the DEA planned to purchase only electronic eavesdropping devices from Fox.

"I told the senator that," Conein said. "Yeah, I saw this (assassination) stuff. So what? I've seen a lot of that kind of thing in my day."

Conein was a long-time CIA operative before moving to the DEA with the assistance of Egil Krogh, former head of the White House plumbers for whom Hunt worked.

In July 1971, Conein had a three-way telephone conversation with Hunt and Charles W. Colson, former White House aide who pleaded guilty to obstruction of justice charges in the trial of David Wilsberg. A transcript of the conversation is contained in evidence amassed during the House Judiciary Committee's impeachment inquiry.

The conversation centered on activities in Saigon prior to the coup that ousted former South Vietnamese President Ngo Dinh Diem. Conein was a high-ranking CIA operative in Saigon at the time of the 1963 coup.

**HUNT LATER** used some of the information obtained from Conein as background for fabricating State Department cables that implicated the late President John F. Kennedy in Diem's assassination. Hunt was working for the Nixon White House at the time.

The catalogue released by Weicker included a memorandum to Mitchel Werbell III identified by Weicker as a Georgia arms manufacturer and apparent soldier of fortune. The memo was written by Michael Morrissey, co-owner of the Fox Laboratories, according to Weicker.

In the memo, Morrissey states that the catalogue "was put together only after we started working together with Lou Conein." He later states that "some of this equipment was demonstrated to Lou in this (Alexandria) office about three weeks ago." The memo was dated June 10, 1974.

The memo said the catalogue contained a "listing of equipment that is available and planned for Lou up here (Washington)."

**WEICKER SAID** the memorandum itself raised doubts about Conein's statement that he had not considered purchasing any of the assassination devices. And he said it stirred questions about whether Conein still was working with the CIA despite his retirement from that agency in 1971.

The catalogue lists its "astro" equipment this way:

"The devices have been designed and manufactured for sale to authorized agencies of the United States government, specifically intended for application outside of this country.

"The items offered are either concealed into everyday-type objects or packaged simply as 'black box' pieces of equipment with no labels or identification on the outside other than the necessary actuator switches and sensors. Upon request, this equipment can be delivered in a 'sterile' condition for foreign use," the brochure continues.

**"ALL EQUIPMENT** in our 'astro' category is manufactured to the highest standards in terms of reliability, dependability, lifetime, and performance under most weather variations," the catalogue states.

It then states: "The information contained herein is classified by the manufacturer for U.S. government use only."

SLOPPY REPORTER!
SHOULD BE DANIEL ELLSBERG

# U.S. Aide Was Briefed on Assassination Techniques

By NICHOLAS M. HORROCK
Special to The New York Times

WASHINGTON, Jan. 22—A top official of the Federal Drug Enforcement Administration said today that he had been briefed on what have been described as electronic assassination techniques by a private manufacturer of wiretapping and bugging equipment.

The official, Lieut. Col. Lucien Conein, acting director of the special operations and field support section of D.E.A.'s international intelligence division, said that he received the briefing in May, 1974, from representatives of the now defunct B. R. Fox Company.

Colonel Conein said he had not asked for the briefing and had no interest in the equipment.

Several law enforcement officials and Senate investigators said that this was the first time they had seen evidence that a domestic Federal agency would even look at assassination equipment.

### Served in Saigon

According to the Pentagon papers on United States involvement in the Indochina war, Colonel Conein was a senior operative of the Central Intelligence Agency in Saigon in 1963 and served as liaison between the United States Government and forces that deposed President Ngo Dinh Diem'

Senator Lowell P. Weicker Jr., Republican of Connecticut, who has een conducting an investigation of C.I.A. involvement with other overnment agencies, said that be has a copy of the catalogue of nstruments described to Colonel Conein.

When questioned by a reporter, Mr. Weicker described the devices as "used for assassination, pure and simple."

"There is no place in this country for this sort of thing," he added.

Mr. Weicker said that he had brought the catalogue to the attention of John Bartels, administrator of the Drug Enforcement Administration, and that he had interviewed Colonel Conein and the colonel's deputy, Searl Frank. He said that the officials had assured him that the agency had not purchased any of the devices.

### Senator Asks Question

The Senator said that he had been told that the agency's men had done nothing to encourage the manufacturer to think that he might make a sale to their agency.

"My question was, why in the hell didn't they do something to discourage him," Mr. Weicker said.

One of two men who briefed Morrissey and an unidentified New York man on behalf of the Fox Company, which had offices in Alexandria, Va., and New York City, N.Y., Mr. Morrissey said that he had presented details on the company's electronic surveillance equipment and what the catalogue calls "astro equipment."

Senator Weicker has obtained a memo that he said was from the files of the B. R. Fox Company, written to an official of a Georgia arms manufacturer, that says:

"Enclosed is a catalog which was put together only after we started working together with Lou Conein. I wrote out this line of 'astro' equipment with you and Lou in mind, and because of the nature of the devices, it is not being given to anyone else . . . Some of this equipment was demonstrated to Lou in this office about 3 weeks ago."

### Memo Is Signed 'Mike'

The memo was dated June 10, 1974, and was signed "Mike."

It is part of the evidence that has caused Mr. Weicker to question whether the relationship between Colonel Conein and the assassination equipment manufacturer was a casual one.

When asked by a reporter about the memorandum, Colonel Conein said that he was shown it during an interview with Senator Weicker.

"I told him I had no idea the context in which it was written, and hat I had not known Mr. Morrissey [before the sales demonstration]. I said if I was him [Senator Weicker], I would turn the memorandum over to the F.B.I. and let them investigate. I told him I would be glad to take a polygraph on the matter."

Colonel Conein said that he had listened to a detailed presentation on the booby-trap, assassination devices, but he did not "discourage" the manufacturer because he presumed that as a licensed electronics company it had the authority to produce the explosive devices.

Colonel Conein told Senator Weicker, as he had a reporter, that despite the presentation of the assassination gear, he had selected B. R. Fox out of several companies to provide bugging equipment. To make this purchase, Colonel Conein ignored the presentations of several better-known concerns.

Mr. Bartels, the agency administrator, said that he was conducting an internal inquiry into the transaction.

Mr. Morrissey identified a copy of the catalogue obtained by The New York Times as a photostat of one that he typed in the spring of 1974. The informal catalogue said that the material could not be delivered

metal rectangular modules. One screw at each end secures top on unit. Top is removed to pack inside with explosive."

Mr. Morrissey said that he had prepared three copies of the catalogue, and that two copies were in the hands of Federal officials. He declined to identify the two officials or the Government agency they were connected with.

Mr. Morrissey also declined to identify the person who had introduced him to Colonel Conein. The colonel said that he could recall how he had learned of the Fox concern but that its name might have come from an acquaintance in Washington.

Mr. Morrissey, who said that he had a degree as an electronics engineer, said that he designed the equipment in early 1974 as an outgrowth of his work in the field of wiretaps and room bugs.

Mr. Morrissey, who also described himself as a lawyer, said that ibmebeedtmmhevmf said that he believed the equipment he designed, which he said was an electronic triggering device, was legal as long as it was not armed with an explosive. He said that it had nonlethal applications to trigger burglar alarms and other "anti-intrusion" equipment.

He said that he would consider selling such devices only to the Federal Government. He added, however, that he does sell electronic surveillance equipment to local police.

Mr. Morrissey said that the Fox Company was dissolved in November, 1974, as a result of maangement differences. He saidw that he had shared management and control of the company with Mrs. Barbara Spindel. The name Fox was Mrs. Spindel's maiden name, Mr. Morrissey said. He said that he continued to sell electronic surveillance equipment as an individual.

Mrs. Spindel confirmed that the company was no longer in existence and said that she was unaware Mr. Morrissey had circulated a catalogue for such devices. Her husband, the late Bernard Spindel, who formed the B. R. Fox Company, was often quoted as a wiretap expert.

Several law enforcement officials and electronic experts who were interviewed indicated that the devices as described in the catalogue appeared usable only for assassinations or for the booby-trapping of premises.

One veteran industrial security expert said that he saw no domestic market for the devices with private companies. "Even on military installations or high security Government agencies, these types of booby-traps would be inappropriate, you'd never know who you might injure," this source said.

Colonel Conein said that he became a consultant to the Bureal of Narcotics and Dangerous Drugs in 1972 and became a full-time official of D.E.A. in December, 1973. His nace came up in Watergate committee testimony when it was disclosed that one of the Watergate burglars, E. Howard Hunt Jr., had met with Colonel Conein. Mr. Hunt at the time was gathering information to prepare bogus cables that implicated President Kennedy in President iDem's assassination in 1963.

going over the devices described by Senator Weicker in detail.

Colonel Conein, asked about the briefing, said that he had not solicited the briefing on assassination aspects of Fox's equipment, and "I wouldn't touch that stuff with a 10-foot pole."

He continued: "That stuff is only good in a war, and who's got a war? It was very sophisticated stuff. They had a telephone that could be triggered by remote control. If the wrong person picked up the phone, you'd blow him up."

Colonel Conein said that he had found the material "fascinating" but that he had said nothing to encourage the idea that the agency would purchase such equipment. He said that he had purchased about $500 worth of audio equipment from the B. R. Fox Company, which he said could be used for bugging.

The equipment he bought, he said, cannot be used in the United States without a court order but is for use in D.E.A.'s foreign operations. He said, however, that the gear had not been used, and "I still have it in my safe."

The briefing for Colonel Conein was conducted by Mr.

ing are excerpts as each item is available.

¶"Telephone handset insert. Miniature activator with time delay . . . use inside telephone handset. Automatic charge fired at—SEC following lifting of instrument handpiece.

¶"Cigarette pack — antidisturbance explosive. Electronics and explosive module packed inside cigarette pack. When the pack is lifted or moved in any manner, the explosive is set off."

¶"Modified flashlight . . . antidisturbance unit. Standard Everyready 2D cell flashlight has antidisturbance electronics concealed inside where batteries have been removed. Remainder of the battery space is packed with explosive."

¶"Remote-controlled, light-activated sensor. Unit delivers a predetermined charge across its output terminals, when activated from a remote location according to its pre-set code. Use with explosive for firing upon the occurrence of certain conditions relating to light intensity."

¶"Booby-trapped, M-16 explosive clip. Use: A mechanically activated electronic charge circuit is built into a common military item. Upon removal of the single round in the magazine, either by firing or by hand removal, the explosive concealed in the magazine is detonated."

¶"Fragmentation ball — antidisturbance unit. Unit is similar in its operation as the anti-disturbance flashlight, BRF model FD-2. The exception is in the type of explosive charge . . ."

¶"Explosive black box modules. . . . Flat black finish on


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WHO IS ANGELINA? By Al Young. 280 pages. Holt, Rinehart & Winston. $7.95.

"How do you like your blueeyed boy/ Mister Death," asks the epigraph of Jer-

THE NEW YORK TIMES
THURSDAY, JANUARY 23, 1975

# U.S. Aide Was Briefed on Assassination Techniques

By NICHOLAS M. HORROCK
Special to The New York Times

WASHINGTON, Jan. 22—A top official of the Federal Drug Enforcement Administration said today that he had been briefed on what have been described as electronic assassination techniques by a private manufacturer of wiretapping and bugging equipment.

The official, Lieut. Col. Lucien Conein, acting director of the special operations and field support section of D.E.A.'s international intelligence division, said that he received the briefing in May, 1974, from representatives of the now defunct B. R. Fox Company.

Colonel Conein said he had not asked for the briefing and had no interest in the equipment.

Several law enforcement officials and Senate investigators said that this was the first time they had seen evidence that a domestic Federal agency would even look at assassination equipment.

### Served in Saigon

According to the Pentagon papers on United States involvement in the Indochina war, Colonel Conein was a senior operative of the Central Intelligence Agency in Saigon in 1963 and served as liaison between the United States Government and forces that deposed President Ngo Dinh Diem.

Senator Lowell P. Weicker Jr., Republican of Connecticut, who has een conducting an investigation of C.I.A. involvement with other overnment agencies, said that he has a copy of the catalogue of nstruments described to Colonel Conein.

When questioned by a reporter, Mr. Weicker described the devices as "used for assassination, pure and simple."

"There is no place in this country for this sort of thing," he added.

Mr. Weicker said that he had brought the catalogue to the attention of John Bartels, administrator of the Drug Enforcement Administration, and that he had interviewed Colonel Conein and the colonel's deputy, Searl Frank. He said that the officials had assured him that the agency had not purchased any of the devices.

### Senator Asks Question

The Senator said that he had been told that the agency's men had done nothing to encourage the manufacturer to think that he might make a sale to their agency.

"My question was, why in the hell didn't they do something to discourage him," Mr. Weicker said.

One of two men who briefed Col. Conein, Michael Morrissey, told a reporter that he had met with him for three hours, showing him audio equipment and going over the devices described by Senator Weicker in detail.

Colonel Conein, asked about the briefing, said that he had not solicited the briefing on assassination aspects of Fox's equipment, and "I wouldn't touch that stuff with a 10-foot pole."

He continued: "That stuff is only good in a war, and who's got a war? It was very sophisticated stuff. They had a telephone that could be triggered by remote control. If the wrong person picked up the phone, you'd blow him up."

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The equipment he bought, he said, cannot be used in the United States without a court order but is for use in D.E.A.'s foreign operations. He said, however, that the gear had not been used, and "I still have it in my safe."

The briefing for Colonel Conein was conducted by Mr. Morrissey and an unidentified New York man on behalf of the Fox Company, which had offices in Alexandria, Va., and New York City. Mr. Morrissey said that he had presented details on the company's electronic surveillance equipment and what the catalogue calls "astro equipment."

Senator Weicker has obtained a memo that he said was from the files of the B. R. Fox Company, written to an official of a Georgia arms manufacturer, that says:

"Enclosed is a catalog which was put together only after we started working together with Lou Conein. I wrote out this line of 'astro' equipment with you and Lou in mind, and because of the nature of the devices, it is not being given to anyone else . . . Some of this equipment was demonstrated to Lou in this office about 3 weeks ago."

### Memo Is Signed 'Mike'

The memo was dated June 10, 1974, and was signed "Mike."

It is part of the evidence that has caused Mr. Weicker to question whether the relationship between Colonel Conein and the assassination equipment manufacturer was a casual one.

When asked by a reporter about the memorandum, Colonel Conein said that he was shown it during an interview with Senator Weicker.

"I told him I had no idea the context in which it was written, and hat I had not known Mr. Morrissey [before the sales demonstration]. I said if I was him [Senator Weicker], I would turn the memorandum over to the F.B.I. and let them investigate. I told him I would be glad to take a polygraph on the matter."

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Mr. Morrissey identified a copy of the catalogue obtained by The New York Times as a photostat of one that he typed in the spring of 1974. The informal catalogue said that the material could not be delivered for two weeks after order and was for sale only to the United States Government. The following are excerpts on each item available:

¶"Telephone handset insert. Miniature activator with time delay . . . use inside telephone handset. Automatic charge fired at—SEC following lifting of instrument handpiece.

¶"Cigarette pack — antidisturbance explosive. Electronics and explosive module packed inside cigarette pack. When the pack is lifted or moved in any manner, the explosive is set off."

¶"Modified flashlight . . . antidisturbance unit. Standard Everyready 2D cell flashlight has antidisturbance electronics concealed inside where batteries have been removed. Remainder of the battery space is packed with explosive."

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¶"Fragmentation ball — antidisturbance unit. Unit is similar in its operation as the anti-disturbance flashlight, BRF model FD-2. The exception is in the type of explosive charge . . ."

¶"Explosive black box modules. . . . Flat black finish on

3.26

14-00000

FBI cable dated 16 JAN '75

Subject: Aladdin N. AL-TAYYAR
INTERNAL SECURITY - IRAQ

14-00000

FBI document dated 31 DEC 1966, Bureau File 2-156, Re: Rolando Arcadio Masferrer Rojas, Internal Security - Haiti - Cuba; Neutrality Matters (From Miami)

14-00000

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

| | UNCLASSIFIED | | CONFIDENTIAL | | SECRET |
|---|---|---|---|---|---|

# OFFICIAL ROUTING SLIP

| TO | NAME AND ADDRESS | DATE | INITIALS |
|---|---|---|---|
| 1 | C/LA/CAR | 17 | SP |
| 2 | DC/LA/CAR | 17 OCT 1974 | |
| 3 | [redacted] | | |
| 4 | C/LA/CA (info) | 17 OCT | |
| 5 | DC/LA (info) | | |
| 6 | C/LA/CAR/CAR | 6 NOV 1974 | |

| | | | | | |
|---|---|---|---|---|---|
| | ACTION | | DIRECT REPLY | | PREPARE REPLY |
| | APPROVAL | | DISPATCH | | RECOMMENDATION |
| | COMMENT | | FILE | | RETURN |
| | CONCURRENCE | | INFORMATION | | SIGNATURE |

**Remarks:**

Mike Absher is an old friend of Ted Roussos and originally introduced Roussos to Jim McTighe and Al Ramos in June. Absher is considering picking up ROUSSOS on contract for the EUR/Greek Desk.

Ruth

File: Werbell 20 1

FOLD HERE TO RETURN TO SENDER

| FROM: NAME, ADDRESS AND PHONE NO. | DATE |
|---|---|
| 3,22 | |

| | UNCLASSIFIED | | CONFIDENTIAL | | SECRET |
|---|---|---|---|---|---|

FORM NO. 237 Use previous editions (40)
1-67

14-00000



30 September 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Theodore Roussos on 31 August 1974

1. During subject meeting Mr. Roussos told me that Mr. Mitchell Livingston WERBELL III called him from Atlanta on 29 August and again on 30 August. Werbell told Roussos that he was leaving for Athens on Saturday, 31 August in order to try to sell arms to the Greek government. Werbell wanted Roussos to be his advisor in this venture and to go to Athens. Werbell indicated that the total deal could reach $5,000,000. Roussos told Werbell that he would check with his "friends" (the Agency) before giving Werbell an answer. Werbell asked Roussos to see if his "friends" were in favor of such arms deals or not. Roussos had generally explained this call to me on the telephone on 29 August. My reaction on the telephone was negative to Roussos' participation in such a deal, and he had conveyed this negative reply to Werbell by telephone before Roussos and I met personally on 31 August.

2. During our personal meeting, Roussos explained that Werbell intended to pursue arms sales legally and via the required U.S. Government channels. He said that Werbell does have the capabilities to design and produce weapons because of his access to arms factories. I told Roussos that Werbell's business activities were his own concern. I strongly advised against his getting involved in this deal. I explained to him the problems which the U.S. Government was having in Greece and the current wave of anti-Americanism and press attacks against the CIA. If Roussos as a former CIA officer well known in Greece became involved in such a venture, a flap of substantial proportions was likely complete with widespread press play. Roussos understood and agreed not to get involved.

E2 IMPDET
CL BY 035682

He said Werbell would probably call him from Athens that weekend and he would give Werbell a final negative reply. Werbell planned to meet with Greek Defense Minister Averoff. Roussos said that if the U.S. wanted to stop this deal that we should contact Averoff directly. From what Werbell said, Roussos believes the arms requested by the Greeks would be for guerrillas and not main force units.

Kenneth M. Absher

K. Michael Absher
AC/E/GC

Distribution:
1 - Werbell 201
1 - Roussos Personnel File



322

14-00000

SECRET

9 AUG 1974

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director for Operations

SUBJECT: Mitchell Livingston Werbell III

1. Mitchell Livingston Werbell III, who served briefly with the OSS in WWII, has been engaged for the past several years in arms dealings and swash-buckling promotional activities which have brought him to the attention of various government agencies. He has always remained within the law by a fine edge. His latest scheme involves a Movement for the Independence of Abaco, an island to the East of the Bahamas. For this he has obtained apparently substantial financial support from wealthy Americans and from a British Lord.

2. Werbell operates through a number of front businesses in Washington, D.C. and in Marietta, Georgia, where he owns one outfit named Central Information Agency (CIA). In all his dealings, Werbell broadly hints that he has current connections with the Agency. We have just learned that Werbell may be in possession of a one-line note from you, stemming from a chance meeting with you at an OSS alumni dinner, reading something like "good to see you again."

3. Three retired Agency employees are currently employed by Werbell in various capacities. This past spring these employees sought contact with the Agency basically to report their concern over the legality of Werbell's activities. We quickly established that the matter was outside our charter and asked these retirees to report directly to the Federal Bureau of Investigation. We also furnished the Bureau with all the pertinent information in our files. It is to be noted that somewhere in Werbell's scheme of things there appears the ubiquitous Andrew St. George, who plans to write a story on Abaco for True magazine.

/s/ David A. Phillips

David A. Phillips
Chief
Western Hemisphere Division

file: 201-259910

cc: DDCI

SECRET

E2 IMPDET
CL BY 010116

14-00000



Subject: Mitchell Livingston Werbell III

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DDO/C/WH/7/A.Spera:cab/1497 (9 Aug 74)

Distribution:
Orig & 1 - Addressee
1 - DDCI
1 - Exec. Registry
2 - DDO
1 - ADDO
1 - CI/OPS
1 - OPS/LSN
1 - C/OS/SSD/SB
2 - C/WHD
1 - WH/Security
1 - C/WH/7
1 - WH/7/CAR Chrono
1 - 201-259910
1 - 189-9-1
1 - WH/7 (Friends of Abaco)

14-00000

FBI document from Atlanta, Ga
dated 9 Aug. 1974
(no FBI file)

Subject: Mitchell - Livingston Westbell, III

14-00000



14 August 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Call from John MULDOON

1. Approximately 1655 hours, 13 August 1974, a call was received on C/WH/7's extension, 351-4221 by the Secretary, Miss Annamarie Ruppert. She answered the extension by number and the male voice asked to speak to Mr. McTighe. The secretary asked who was calling and the caller replied "John MULDOON." The secretary then replied that she was sorry but Mr. McTighe couldn't be reached. In response to MULDOON's query, "Why not?" and before the secretary could reply, MULDOON became obstinate and asked who he was speaking to. Miss Ruppert replied "his secretary" and then added that Mr. McTighe was away. When MULDOON asked where he was, the secretary replied that she was not at liberty to discuss that. Then MULDOON asked to speak to McTighe's deputy and was told that there was no one around whom MULDOON could speak to. (C/WH/7 was on leave and AC/WH/7 was in the PMC meeting.) MULDOON apparently didn't believe this reply but then asked when McTighe was expected to return. The secretary replied "within a few weeks" (McTighe is on TDY) and then asked if she could take a message to give to McTighe upon his return. MULDOON became belligerent at this point, apparently thinking he was getting the 'run around' and replied, "just tell him to talk to Jack Anderson" and hung up.

2. AC/WHD was briefed on the above telephone call at 1740 hours, 13 August. He decided no action should be taken on 13 August, but would like to meet with C/WH/7, Al Spera, on 14 August.

3. At 0950 hours, the following met with AC/WHD: Mr. Natzke, Mr. Wedemeyer, Mr. Spera and Miss Lehman. In view of C/WHD's previous decision that no further Agency contact should be made with MULDOON, RUSSOS, or MACKEM it was decided that no one would return MULDOON's call. However, AC/WHD would brief ADDO, Mr. Blee, on the above threat, and WH/7 would ask OPS/LIAISON to telephonically pass to the FBI the fact that MULDOON again contacted the Agency and threatened to go to "Jack Anderson." A copy of this memorandum is being sent to OPS/LIAISON for this purpose.

3,19



E2 IMPDET
CL BY 010116

Subject: Telephone Call from John MULDOON

4. At AC/WHD's request, WH/Security rechecked the files on the three former Agency employees to determine whether they were Staff Employees. All three were former Staff Employees. MULDOON retired on medical disability; RUSSOS retired and then was rehired on a contract basis in February 1971 and contract terminated in September 1973; and MACKEM was "separated as excess" in October 1973. This information was passed to AC/WHD to brief ADDO.

Ruth Lehman

Ruth Lehman
Acting Chief, WH/7

DDO/WH/7/R.Lehman:cab/1956

Distribution:
Orig - WH/7 (FOA File)
1 - WH/Security
1 - WH/7/CAR
1 - 189-9-1
1 - OPS/LIAISON

 3.19

14-00000

SECRET/NOFORN

BD/O 74-4099

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505
WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

MEMORANDUM FOR: Director
Federal Bureau of Investigation

ATTENTION : Intelligence Division

SUBJECT : Mitchell Livingston WERBELL, III

1. Reference is made to TDFIRDB-315/07634-74, dated 10 August 1974, which reported on the growing concern of the Bahamian Government about renewed secessionist activity in Abaco. In addition to the information in reference, the official Bahamian service, which was the source of the above report, also provided a representative of this Agency on 7 August 1974 the following text of a memorandum it prepared for the Secretary of the Bahamian Cabinet:

> "Please be advised that on 3 August 1974, information has been received from our overseas contacts that Chester ZOCHOWSKI, alias Chester GARY, has recently been in touch with Mitchell L. WERBELL, and has reported that WERBELL is still planning unspecified revolutionary activity in Abaco. It is also reported that he has the support of some former U.S. Government employees and that he is trying to recruit a former Special Services officer to promote revolutionary activity in Abaco (the name of Robert ARMSTRONG has been put forward as a possibility). There is also a suggestion that Robert VESCO might be financing some of the activity."

2. The "overseas contact" described above was identified by the Bahamian Service as the British MI-5 representative in Washington, D.C. The Bahamian Service did not identify the "U.S. Government employees" referred to above.

3/8

CLASSIFIED BY 010116. EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF E.O. 11652 EXEMPTION CATEGORY 5B (2). IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION.

SECRET/NOFORN

3. The files of this Agency reflect that Robert ARMSTRONG and Chester ZOCHOWSKI are known to your Bureau and their involvement in this matter has been reported in previous correspondence to this Agency. Although the Bahamian Service reported ZOCHOWSKI's alias as "Chester GARY," it is believed that this refers to "Chester GRAY."

4. The above information is being furnished to your Bureau for whatever action and further dissemination you deem appropriate. The information, however, may not be discussed with any foreign nationals, including the British and the Bahamians.

FOR THE ~~DEPUTY~~ DIRECTOR FOR OPERATIONS:

/s/ David H. Blee

David H. Blee

CIRA-0444-74



3,18

14-00000

SECRET/NOFORN

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DDO/WH/7/CAR/A.Ramos & E.Rhoad:cab/7493/1956 (12 August 1974)

Distribution:
Orig. & 1 - FBI
2 - OPS/LSN
1 - CIOPS/WH
1 - 201-259910
1 - C/OS/SSD/OSB
1 - C/WHD
1 - WH/Security
1 - WH/7/CAR Chrono
1 - 189-9-1
1 - E/BC
1 - ADDO
1 - DDO
1 - DDO/Registry
1 - WH/7/FOA File

BASED ON: WH/Miami 22274 (In 330060) dated 9 August 1974
OBJ-KIB

SECRET/NOFORN

3.18

FBI document from San Diego
dated 7 August, 1974
(no FBI file)
Subject: Mitchell Livingston Werbell,
III

14-00000

SECRET/SENSITIVE

CDIC 74-4068

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

9 AUG 1974

MEMORANDUM FOR: Director
Federal Bureau of Investigation
Attention: Intelligence Division

SUBJECT : Mitchell Livingston WERBELL, III

1. Reference is made to your memorandum dated 6 August 1974; Subject: "Mitchell Livingston WERBELL, III, Internal Security - Abaco; Neutrality Matters - Abaco;" your reference (CI-3) 62-108665.

2. Authorization is granted for your Bureau to disseminate the attachment to Reference (your Bureau's memorandum dated 22 July 1974 at Atlanta, Georgia, concerning Subject) to the Department of State, the Bureau of Customs, the Bureau of Alcohol, Tobacco and Firearms and the Criminal Division of the Department of Justice. We would, however, appreciate your limiting the description of source AT T-1 as being simply another government agency.

3. This Agency is most appreciative of your Bureau's handling of this sensitive matter and particularly the opportunity afforded this Agency to coordinate prior to further dissemination of this material.

4. We will be most interested in receiving any additional information concerning this matter which may come to your Bureau's attention.

FOR THE DEPUTY DIRECTOR FOR OPERATIONS:

David H. Blee

CIRA-0439-74

CLASSIFIED BY 010116. EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF E.O. 11652 EXEMPTION CATEGORY 5B (2). IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION.

SECRET/SENSITIVE

14-00000



DDO/WH/7/CAR/Ruth Lehman:ar:7493/1956 (9 August 1974)

Distribution:
Orig. & 1 - FBI
2 - OPS/LSN
1 - CIOPS/WH
1 - 201-259910
1 - C/OS/SSD/OSB
1 - C/WHD
1 - WH/Security
1 - WH/7/CAR Chrono
1 - 189-9-1
1 - C/DCD
1 - ADDO
1 - DDO
1 - DDO/Registry
1 - FOA File

BASED ON: FBI Memorandum dated 6 August 1974
Subject: "Mitchell Livingston WERBELL, III,
Internal Security - Abaco; Neutrality Matters -
Abaco;" your reference (CI-3) 62-108665

FBI document dated 6 Aug, 1974
from Washington D.C.
Bureau file - (CI-3) 62-108665

Subject: Mitchell Livingston Werbell, III
Internal Security - Abaco
Neutrality Matters - Abaco

CONFIDENTIAL

DX-00043

30 July 1974

MEMORANDUM FOR: Chief, Western Hemisphere Division

SUBJECT: Mitchell Livingston Werbell and His Employment of Former CIA Employees

REFERENCE: CIRA-0371-74; Subject: Mitchell Livingston WERBELL, III.

1. On 29 July 1974, William McDonnell, FBI liaison officer, delivered the attached FBI memorandum to OPS/LSN. In delivering this memorandum, McDonnell stated that whereas the last sentence of paragraph 3 reads "by individuals described as former United States Government employees," Gray actually said that Werbell had indicated that he was being assisted by former CIA employees. The FBI chose to use the term "former United States Government employees" in the attached memorandum in order to 'make the memorandum less sensational.'

2. This memorandum should be read in conjunction with CIRA-0371-74, subject: Mitchell Livingston Werbell III, dated 27 June 1974.

3. The FBI requests authorization to forward a copy of CIRA-0371-74 to the Department of Justice. As this memorandum was forwarded to the Bureau for its information only, your views on its passage to the Department of Justice are solicited. The FBI plans to ask the Department of Justice if the Department wishes the Bureau to investigate Mitchell Warbell for possible violation of the Neutrality Act.

Signed: Francis G. Coleman

F. I. G. Coleman
C/OPS/LSN

RECORD COPY
CONFIDENTIAL

E2 IMPDET
CL BY 054698

30 July 74
30 July 74
201-259910

DDO/OPS/LSN/FIGColeman/ck (30 July 74)

Distribution:
O&1 - Addressee
1 - Chief, OS/SSD
1 - WH/Security
1 - WH/7/CAR
1 - IP/AN - 201-259910
1 - OPS/LSN
1 - OPS Reading Board

14-00000

SECRET/SENSITIVE

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

6 AUG 1974

MEMORANDUM FOR: Director
Federal Bureau of Investigation

ATTENTION : Intelligence Division

SUBJECT : MITCHELL LIVINGSTON WERBELL, III

REFERENCE : A. Conversation between Mr. William McDonnell, FBI Liaison Officer and Mr. F.I.G. Coleman of this Agency on 29 July 1974.

B. FBI New York Report dated 19 July, Subject as above.

1. Authorization is granted for your Bureau to pass a copy of CIRA-0371-74 dated 27 June 1974, Subject as above, to the Department of Justice for its use. We wish to make it clear that the former Agency employees mentioned in paragraph 2 of that report: John Patrick MULDOON and Theodore John ROUSSOS, provided their information voluntarily with the intent of seeking the advice of this Agency on the legality of the proposed venture of the Friends of Abaco (FOA). Both men were advised to avoid contact with the FOA and to report their contacts to the Federal Bureau of Investigation.

2. This Agency has not initiated any further contact with the individuals named above or with Walter Joseph MACKEM, the third former employee approached by the FOA. MACKEM, however, did himself contact this Agency in an attempt to get an official policy on the activities of the FOA. He was

CLASSIFIED BY 010116. EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF E.O. 11652 EXEMPTION CATEGORY 5B (2). IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION.

3.14

SECRET/SENSITIVE

201-251910

14-00000



informed that the case comes under FBI jurisdiction, that this Agency has no official involvement, and that all information we had on the matter had been made available to your Bureau. He was advised at that time to report his contacts and any information he had to your Bureau.

FOR THE DEPUTY DIRECTOR FOR OPERATIONS:

/s/ David A. Phillips

David A. Phillips

CIRA-0432-74

14-00000

SECRET/SENSITIVE

DDO/WH/7/CAR/Albert Ramos:cm:7493/1956 (5 August 74)

Distribution:
Orig & 1 - FBI
1 - OPS/LSN
1 - CIOPS/WH
(1) - 201-259910
1 - C/OS/SSD/OSB
1 - C/WHD
1 - WH/Security
1 - WH/7/CAR Chrono
1 - 189-9-1

BASED ON: C/OPS/LSN Memo to C/WHD dated 30 July 1974
Subject: Mitchell Livingston WERBELL and his Employment of Former Agency Employees

SECRET/SENSITIVE 3.14

14-00000

SECRET

TO: Chief of Station, WH/Miami

INFO.: XX

FROM: Chief, Western Hemisphere Division

SUBJECT: Mitchell Livingston HERBELL, III

ACTION REQUIRED - REFERENCES

1. For your background information, attached under separate cover is one copy each of the following documents concerning Subject:

a. CIRA-0371-74 dated 27 June 1974 — ?

b. LNERGO New York memo dated 19 July 1974

2. In forwarding the 19 July New York memo mentioned above, LNERGO reported that in the last sentence of paragraph 3, GRAY actually said that HERBELL had indicated he was being assisted by former BKHERALD employees. LNERGO chose to substitute LNBUZZ in order to 'make the memo less sensational.'

3. A copy of CIRA-0371-74 is being passed to the Department of Justice.

Wilma R. VAN SCOY

Attachments:
As stated above, u/s/c

Distribution:
2 - COS, WH/Miami (w/atts, u/s/c)

E2 IMPDET

CL BY 010116

| CROSS REFERENCE TO | DISPATCH SYMBOL AND NUMBER | DATE |
|---|---|---|
| | UFPS-419 | 5 August 1974 |
| | CLASSIFICATION: SECRET | HQS FILE NUMBER: 201-259910 Encl |

Internal Distribution:
1 - WH/REG w/o att
1 - 201-259910 w/1-b above
1 - WH/7/CAR chrono w/o att
1 - 189-9-1 w/1-b above
1 - WH/7/CAR/Friends of Abaco File w/o att

ORIGINATING

| OFFICE SYMBOL | OFFICER | TYPIST | EXT. |
|---|---|---|---|
| DDO/WH/7/CAR | Ruth Lehman | cgm | 7493 |

COORDINATING

| OFFICE SYMBOL | DATE | OFFICER'S NAME |
|---|---|---|
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| | | |

RELEASING

| OFFICE SYMBOL | DATE | OFFICER'S SIGNATURE |
|---|---|---|
| C/WH/7 | 5 AUG 1974 | Alfonso Sperta |

FORM 53 USE PREVIOUS EDITION

3.13

DRAFT

14-00000

FBI document dated 19 July 1974
from New York
Subject: Mitchell Livingston
Werkell, III
Internal Security - Abaco
Neutrality Matter - Abaco

14-00000

CONFIDENTIAL

1 AUG 1974

TO: Director
Federal Bureau of Investigation
Attention: Intelligence Division

FROM: Deputy Director for Operations

SUBJECT: Traces Requested by Mr. Wayne Frankenfield

1. This memorandum is in response to trace requests made by Mr. Wayne Frankenfield of the General Investigative Division on 29 July 1974.

2. The files of this office reveal no pertinent identifiable information on:

Advance Security Corporation of Atlanta, Georgia
Howard GIBSON of Georgia
Security Defense System of Marietta, Georgia

3. Nothing is known of the Central Investigative Agency, except as reported by the FBI.

201-0359910

4. The files of this office contain considerable information on Mitchell Livingston WERBELL III, born 8 March 1918 in Philadelphia, Pa. The majority of this information was received from the FBI. This office previously furnished the Bureau information on Werbell under CSCI-3/773317 of 24 October 1962, subject WERBELL, Mitchell L.; and CSCI-316/02323-69 of 27 June 1969, subject WERBELL, Mitchell Livingston III.

5. Werbell has never been employed by this Agency nor does the Agency have any operational interest in him. As a 2nd Lieutenant in the Signal Corps in the China-Burma theater in WW II, Werbell was assigned to OSS from April to December 1945. In August 1959, this office considered using Werbell as a source of information on revolutionary activities in the Caribbean area,

3.12

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CL BY 054698

RECORD COPY

01 Aug 74

CONFIDENTIAL 201-2549910

particularly Cuba, but terminated its consideration of his possible use in October 1959. From December 1965 to November 1966, Werbell contacted this Agency's Domestic Collection Division in Coral Gables, Florida to voluntarily offer information.

6. Werbell has been assessed as an unscrupulous wheeler-dealer, a promotor of grandiose schemes, a man who lives beyond his means, and a high pressure advertising and promotion man. He has repeatedly misrepresented himself as both an employee of the U.S. government and the CIA. As an arms dealer, he has been involved with numerous Latin American governments and exile groups since the late 1950's and is now involved in Bahaman affairs. In 1969, he was in Thailand, attempting to sell the government arms and a program to neutralize the communist threat in that country.

7. Werbell operated a public relations firm in Atlanta which went into bankruptcy in 1959. He subsequently became Vice President and Director of Research and Development of SIONICS, Inc. of Atlanta, Georgia and later became a partner in Defense Systems International of Powder Springs, Georgia.

8. For further information on Werbell, you are referred to the Department of Defense and the Department of State.

201-0900334

9. The indices of this office reflect a Stephen Van CLEAVE, President of Intelligence Services, Ltd., Suite 11-B, 130 West Wieucea Rd., N.E., Atlanta, Georgia; telephone AC 404-255-7493. The document concerning Van Cleave is charged out, and we are seeking to locate it.

10. John Patrick MULDOON is, as stated in our CIRA-0371-74 of 27 June 1974, subject Mitchell Livingston Werbell III, a former Agency employee. For further information on Muldoon, you are referred to this Agency's Office of Security.

CIR-316/01815-74

C/OPS/LSN/FIGColeman/ck (1 August 1974)

Distribution:
O&1 - Addressee
2 - OPS/LSN
1 - IP/AN



3.12

MEMORANDUM FOR: Associate General Counsel, OGC

VIA : Deputy Director for Operations

SUBJECT : Mitchell Livingston WER BELL III

REFERENCE : Your memorandum of 24 February 1976, Subject as above.

1. Per reference request, we are forwarding information in our files concerning contacts that have taken place between this Agency and WER BELL.

2. The following is a summary of all DDO contact directly with WER BELL which took place in 1959:

a. A 6 July 1959 Memorandum to C/WH Division signed by Thomas J. Flores stated that General Cabell called Flores to report that WER BELL had called him. WER BELL discussed with General Cabell a trip WER BELL had taken to the Dominican Republic and offered to come to Washington at his own expense to discuss the trip. No commitments were made to WER BELL by General Cabell.

b. A 7 July 1959 Memorandum of Conversation signed by T. J. Flores stated that WER BELL was met in Washington, D.C., by Flores who discussed with WER BELL information concerning the Dominican Republic, Fidel Castro, Fulgencio Batista and General Pedraza.

c. A 8 July 1959 Memorandum of Conversation signed by T. J. Flores stated that on 8 July 1959 Flores called WER BELL to set up an appointment. During the meeting, WER BELL was told that the United States would not support any revolutionary activities by General Pedraza. He was also told that the U.S. will observe its international obligations concerning Cuba and Pedraza, and that

the U.S. would not overlook any violations by Pedraza or his followers of the neutrality laws. Flores said that the Agency had some interest in the possibility of his (WER BELL's) working for us as an intelligence gatherer under terms to be negotiated after we obtained a security clearance on him. Flores pointed out that the Agency was not attempting to limit his actions in connection with the Dominican Republic, nor was it assuming any responsibility for those matters he carried out in his own behalf. Flores dictated a Secrecy Agreement to him and had him sign it.

d. A 9 July 1959 Memorandum for the Record signed by T. J. Flores reported that Subject called him on 9 July 1959 from New York. WER BELL gave Flores further information on Loos, fnu, the representative of a Colonel Frei, fnu, of the Swiss army who had 1,000 men available for duty as soldiers.

e. A 20 July 1959 Memorandum for the Record signed by T. J. Flores reported that WER BELL called Flores from Miami on 20 July to ask about the Agency picking up the tab for his forthcoming trip to the Dominican Republic. They discussed his clearance which had not come through.

f. A 3 August 1959 Memorandum for the Record signed by Martha R. Tharpe reported that on 24 July 1959 WER BELL called for Mr. Thomas J. Flores. Since Flores was on leave, Tharpe took the call. WER BELL gave Tharpe further information concerning Pedraza and Batista. Tharpe called WER BELL back that evening to tell him that if he obtained further information to report it to Mr. Justin Gleichauf, OO Contacts Representative in Miami, until Mr. Flores returned to Washington.

g. A 5 August 1959 Memorandum for the Record signed by T. J. Flores stated that WER BELL phoned him on 5 August 1959 to ask if there was any news on his clearance. WER BELL said he wanted to go to the Dominican Republic soon, and would like CIA to pick up his expenses. He was told there was no

news. Flores and WER BELL discussed the Dominican Republic and Cuba. On 3 August Flores phoned WER BELL and told him that his clearance had not been granted and that he should not predicate his activities on the expectation of the clearance at any given time. WER BELL said that the Pedraza group was air lifting and dropping material into Cuba.

h. A 9 September 1959 Memorandum for the Record signed by T. J. Flores reported that WER BELL called Flores on 9 September 1959 to provide information on Cuba. He was told by Flores that his clearance had not yet been processed.

i. According to a 23 September 1959 Memorandum for the Record signed by T. J. Flores, WER BELL called Flores on 9 September 1959 to ask if his clearance had come through since he wanted the Agency to finance his trip to the Dominican Republic. He was told it had not. WER BELL told Flores about some people who had been discussing the counterfeiting of U. S. dollars and Cuban pesos for use in connection with Cuban revolutionary activities. He was told by Flores to contact the FBI. On 13 September WER BELL had phoned Flores at home to say that the FBI had referred him to the Secret Service on the counterfeiting aspect, and that no one seemed particularly interested in the gun running. The Secret Service asked him to go to Miami at his own expense to obtain further information on the matter and WER BELL asked Flores' advice. Flores said that he could not influence him one way or the other since he was not in a position to direct his activities, but felt he might be better off to take no action. He was told that Flores would be in touch with him as soon as he had any further information concerning our possible use of him.

j. A 13 October 1959 Memorandum for the Record signed by Thomas J. Flores states that WER BELL phoned him on 25 September 1959 to report on Cuba. On 2 October 1959, Flores talked with WER BELL by phone and terminated the relationship.

3. The following undated memorandums are also contained in WER BELL's file:

a. A Memorandum for the Record signed by T. Flores reports that WER BELL called Flores on 13 August 1959 to discuss Cuban activities in Miami. This memorandum also records that WER BELL phoned Flores again on 26 August 1959 at which time activities in the Dominican Republic and Cuban activities in Miami were discussed. WER BELL also asked about the status of his clearance, and was told it had not yet come through.

b. A letter signed "W" addressed to "Tom" gave "W's" location and some information concerning Batista and Castro. (This letter is probably in the 1959 time frame.)

c. A Memorandum of Conversation signed by T. Flores reports that WER BELL called Flores and gave his location. The status of WER BELL's clearance was discussed and Flores told him it had not yet come through. WER BELL gave Flores some information concerning Batista. (This memorandum probably is in the 1959 time frame.)

d. An unsigned report, apparently from WER BELL, gave a summary of his contacts and activities during a trip to the Dominican Republic. (This report is probably in the 1959 time frame.)

4. A 17 December 1963 dispatch from Station Santo Domingo reported that Station NOC Officer Joseph Luna recently met WER BELL in Santo Domingo. No further details of the meeting were reported.

5. According to the CS file on WER BELL, three former Agency employees were contacted in 1974 by WER BELL and other representatives of a group called "Friends of Abaco (FOA), a group allegedly advocating the secession of the island of Abaco from the Commonwealth of the Bahamas. The three former employees contacted are:

a. John Patrick Muldoon, retired from CIA on 20 March 1972.

b. Theodore John Roussos, retired from CIA on 31 July 1970. He was rehired on a contract in February 1971. His contract was terminated in September 1973.

c. Walter Joseph Mackem, separated from CIA on 31 October 1973.

6. Mr. Muldoon contacted Agency employee E. James McTighe on 22 May 1974. Mr. Muldoon told Mr. McTighe that he was nominal Vice President of a Washington-based firm called "Security Consultants International." He presented Mr. McTighe with a report containing the essential data he possessed concerning WER BELL and other members of FOA whom he had met on 17 and 20 May 1974 in Washington, D.C. According to Mr. Muldoon, WER BELL had hopes of establishing gaming casinos, hotel and other tourist facilities in Abaco catering to the U. S. tourist crowd. As a consequence of some run-in with Prime Minister Pindling of the Bahamas, however, WER BELL is apparently persona non grata in the Bahamas; hence his ambitions appeared to be contingent on Abacan independence. Mr. Muldoon reported that at least on two occasions WER BELL made a concerted effort to involve persons formerly affiliated with the Agency in the activities of the FOA in support of its independence. On several occasions, WER BELL introduced Mr. Muldoon and Mr. Roussos as active Agency officials, implying that either the Agency or the United States Government supported the aims of the FOA. WER BELL also proposed to Messrs. Muldoon and Roussos in separate conversations that they conduct a study, involving a visit to Abaco, to determine the feasibility of Abaco's independence in political and economic terms. The study was to include interviews with citizens of Abaco prior to an alleged "plebiscite" on independence to take place in Abaco on 28 June 1974. In default of the collaboration of either Muldoon or Roussos, WER BELL hired Mr. Walter Joseph Mackem, a former Agency friend of both Muldoon and Roussos. According to WER BELL's file, Mackem later in 1974 contacted the Agency in an attempt to get an official policy on the activities of the FOA. Mackem was informed that the case comes under FBI jurisdiction, that this Agency has no official involvement, and that all information we had on the matter had been made available to the FBI. He was advised at that time to report his contacts and any information he had to the FBI.

7. On 24 March 1975, Mr. Joseph P. Hayes, assigned to SE/PCH, reported that during the week of 9 March 1975, he talked with Mr. Wesley Dyckman. Mr. Dyckman is a former Agency employee employed by the Drug Enforcement Agency. According to Dyckman, former Agency employee Walter Mackem was employed in the Washington area as a private investigator. He is also involved with a paramilitary activity funded by some unnamed British source. The activity, which Dyckman referred to as

"the new land project" sought to establish a tax shelter on one of the out-islands of the Caribbean by forcefully taking over the island and establishing a government there. Mackem is supposedly involved in the paramilitary training of forces who would participate in this adventure. According to Dyckman, the paramilitary training supposedly was to take place in Georgia, where WER BELL is based.

8. On 31 August 1974, Mr. Roussos met with Mr. K. Michael Absher, who at that time was AC/E/GC, and told him that WER BELL was leaving for Athens on 31 August to sell arms to the Greek Government. WER BELL wanted Roussos to be his advisor in this venture and to go to Athens. Roussos told WER BELL that he would check with CIA before giving him an answer. WER BELL asked Roussos to see if the Agency was in favor of such an arms deal or not. Mr. Absher strongly advised against Roussos' getting involved in this deal. Roussos told Mr. Absher that he understood and agreed not to get involved. Roussos said that WER BELL would probably call him from Athens and he would give WER BELL a final negative reply.

9. On 22 July 1974, the FBI reported that WER BELL may be in possession of a one-line note from former CIA Director William Colby stemming from a chance meeting with the Director at an OSS alumni dinner, reading something like "Good to see you again." This note was apparently used by WER BELL to suggest that he and Mr. Colby were good friends. This information was passed on to Mr. Colby on 9 August 1974.

10. According to reporting from several Stations, WER BELL and Arthur L. Smith (a cohort of WER BELL's) were in several Central American countries during August and early September 1962. Their principal activity appeared to be contacting officials of the governments of Guatemala, Nicaragua, and El Salvador for the purpose of obtaining recognition of a de facto Cuban Government in exile called the "United Organization for the Liberation of Cuba." In discussions with Nicaraguan Government representatives, WER BELL claimed the proposed Cuban Government in exile had the support of 90 separate Cuban exile organizations and 186,000 Cuban exiles. WER BELL offered a representative of the Nicaraguan Government $100,000 to obtain that government's recognition of the Cuban Government in exile. The group claimed to have its headquarters at 1025 Connecticut Avenue, NW, in Washington, D.C. While in Guatemala, Smith claimed that the group had a man in the Department of State in Washington, D.C., whom they pay $6,000 per year "to keep them advised."

11. In December 1965 WER BELL contacted a Miami DCD asset and told him that he and six Cuban exiles in the U. S. had organized a group, including approximately 20 Cubans inside Cuba, to perform a commando operation in Cuba during early January 1966. Their primary mission was the assassination of Fidel Castro, with the secondary mission of blowing up the generators that supply electricity to Havana, Cuba. WER BELL, at the time, stated that he was trying to get a "green light" from CIA to proceed with the mission, and inferred that the mission would be called off if such approval was not obtained.

12. On 7 February 1966 the Miami office of the FBI reported that WER BELL had been in contact with various news agencies concerning an alleged plan to assassinate Fidel Castro, and reportedly also had discussed the plan with Mr. Richard Phillips, Public Affairs Officer, Department of State, Washington, D.C. WER BELL claimed to have a group of some 500 men infiltrated into Cuba and said that they were ready for action to overthrow the regime immediately following the assassination of Castro. According to the FBI, WER BELL gave the impression that he is acquainted with many high government officials, both in the U. S. and other countries, and implied that his assassination plan had been approved by CIA.

13. According to a memorandum in WER BELL's file, on 7 February 1968, one Bruce Arman Baker telephoned an employee of this Agency and said he had been in contact with WER BELL. Mr. Baker said that WER BELL was in the weapons manufacturing business and delivered them by air throughout the world. Mr. Baker said that he understood that WER BELL does this for CIA. Mr. Baker said that he understood from WER BELL that he would have to get a CIA security clearance to fly for WER BELL. Baker said that he was afraid that his past smuggling record might keep him from getting a CIA clearance.

14. WER BELL came to the attention of the Bangkok Station in early 1969 when he went to Thailand representing himself as Vice President of Sionics, Atlanta, Georgia. He described himself as a counterinsurgency expert, had a variety of weapons to display, claimed to be a retired colonel, and introduced himself at a local nightclub as Chief of CIA in Thailand. WER BELL attempted to sell arms to the Thais and also to a variety of U. S. military elements. Station Bangkok passed the gist of his reputation to key personalities in the U. S. mission and the Thai Government stressing that he was not sponsored in any way by the U. S. Government.

15. WER BELL was also the subject of two memorandums signed by Lawrence R. Houston. Mr. Houston, answering a request from Joseph J. Liebling, Deputy Assistant Secretary of Defense, on 23 February 1971, denied WER BELL's alleged affiliation with the CIA. On 28 October 1971, Mr. Houston wrote Mr. David H. Henretta, Jr., of the Industrial Security Clearance Review Division, to return notarized Interrogatories previously sent by Mr. Henretta.

16. We have no information on Colonel Bayard except news articles reporting his death which were forwarded by the FBI.

17. Per your request, we have sent instructions to the LA/Miami Station that there should be no contact with WER BELL.

Nestor D. Sanchez
Acting Chief
Latin America Division

DDO/LA/CAR/Cari/D. Geisler:rb Ext. 1956 (3 March 76)

Distribution:

Orig - Addressee
1 - DDO
1 - ADDO
1 - DDO/Reg
2 - C/LA
1 - C/LA/CAR
1 - LA/CAR/Cari chrono
1 - 201-259910

E2 IMPDET
CL BY 012913

3.45

14-00000

FBI document dated 24 July 1974 from Las Vegas.
Subject: Mitchell Livingston Werbell, III