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Profiling a scoundrel

The sordid account of an ex-CIA agent's destructive career

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WASHINGTON — In the shadow land of the CIA, Edwin P. Wilson was a dark man in a world of night, a man who wheeled and dealt, slapped backs, raked in cash and vanished into smoke and mirrors.

In the realm of international renegades, he was a Fagin's Fagin, an unredeemed Macheath who parlayed his dismissal from U.S. intelligence into a fortune of more than \$20 million. At his height, Wilson sidled through Libya's corridors of power, peddling illicit explosives, guns, assassins and anything else he could con Moammar Khdafy into buying.

He was duplicitous, crude and ruthless, and his clandestine deals snaked over the globe. And when he finally was captured and held for trial in 1982, Wilson plotted the murders of prosecutors, witnesses and his estranged wife. "Take her off somewhere and break her neck," he told a jailhouse conspirator turned informant. How much would he pay for the hit? "She's worth \$250,000," Wilson snapped.

In 1983, the 56-year-old former agent was sentenced to

57 years for his activities.

The extraordinary rise and fall of Edwin Wilson has now been chronicled by Joseph C. Goulden in *The Death Merchant*, just published by Simon and Schuster. It is as sordid a tale as anyone is likely to come upon this publishing season.

"My agency friends kept telling me that this guy is really rogue," Goulden said the other day as he relaxed in his book-crammed office here. "He is not what he claims to be — still tied to CIA. He's just somebody who's a crook."

Goulden, who boasts a library of 1,200 books related to intelligence matters and who calls himself a "spook buff," was intrigued by the Wilson saga. So when one of Wilson's most important associates spilled the beans during a long afternoon interview, Goulden knew he had the makings of a black drama.

And in this drama, the victims lay everywhere.

"The human debris is one of the great tragedies of the story," Goulden said. "Some of these people — their lives will never be reconstructed."

Take a few examples from Wilson's business associates, government acquaintances and family.

- Waldo Dubberstein, an elderly Defense Intelligence Agency analyst who purloined classified material for Wilson and ultimately for the Libyans, shot himself to death upon discovery.

- Kevin Mulcahy, one of Wilson's earliest recruits and son of a respected intelligence officer, drank himself to death after telling prosecutors his story.

- John Heath was a bomb expert hired to train Libyans in the use of explosives smuggled into the country by Wilson. He testified for the prosecution at Wilson's trials and is now homeless, unemployed, broke — anathema to the U.S. government he once served.

- Maj. Gen. Richard V. Secord, former deputy assistant secretary for defense, was falsely linked to a Wilson operation. Despite the fallacious nature of the charges, Secord's career was ruined. He took early retirement in 1982.

- Eric Wilson, Wilson's youngest son, was unwittingly roped into assassination plots by his father. He was charged with conspiracy, although he was later acquitted.

The list could go on and on. No one, apparently, was safe from Wilson's destructive tentacles.

"I talked to a shrink about him at length," said the 50-year-old Goulden, a former reporter for *The Inquirer*. "This guy concluded ... that Wilson was psychotic, a sociopath who didn't care about the difference between right and wrong, a person who is not prone to commit a violent crime himself but who would not hesitate to encourage somebody else to do it. And, further, he would not take responsibility for his actions."

- Wilson started innocuously enough. He joined the CIA in 1958 as a junior security officer watching over U-2 spy planes. Subsequently, under the cover of the AFL-CIO's Seafarers International Union, he graduated to gathering intelligence on the European labor movement.

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But Wilson's greatest skill, he soon discovered, was in setting up companies that would use legitimate business as a cover for intelligence activities. In operating these businesses, called proprietary companies in agency jargon, Wilson began to learn what he would need to know for his future illegal operations.

Under CIA tutorship, as Goulden writes, Wilson learned "how to incorporate a company through front men so as to conceal its true ownership, how to use post office boxes and mail drops, how to route money through a succession of domestic and foreign bank accounts so that neither origin nor destination could be traced."

Wilson was soon running a number of such international companies for the agency and running them well — he turned a profit. But in 1970 or 1971, he used one of them as collateral for a private real estate loan. He was caught, dismissed and promptly hired by U.S. naval intelligence to set up even more international businesses.

Wilson was off and rolling. He made powerful friends, such as Sens. John Stennis (D., Miss.), John McClellan (D., Ark.) and Strom Thurmond (R., S.C.), and for the next several years used covert government operations for great personal gain. Wilson's government "service" came to an end, however, in 1976 when he tried to bribe Rear Adm. Bobby Ray Inman. Inman, to his surprise, was honest.

No matter, Wilson had enough international and government contacts now, enough expertise and capital to go it alone. Strangely, the Navy allowed him to retain control of one of his covert companies, Consultants International, a worldwide trading operation.

In a very real sense, then, Wilson simply transferred to the private sector his agency expertise and his covert business.

"While the extent of Mr. Wilson's criminal activities were exceptional ... he was the product of a system that for the sake of secrecy trained people to conduct government business through private corporations and that encouraged them to blur the distinction," Philip Taubman wrote in a review of Goulden's book in the New York Times. "It was also a system that, until the Wilson case, lacked adequate safeguards to prevent former agents from manipulating their connections for personal gain."

Indeed, Wilson never passed up an opportunity for manipulation.

Shortly after leaving naval intelligence, he met Frank Terpil, a former CIA agent with extensive contacts in the Libyan government. Awash in oil money and bedazzled by sophisticated Western armaments, Libya was ripe for illicit maneuvering and would prove a sinister and sandy heaven for Wilson and Terpil.

Over the next several years, the former agents sought to procure a frightening arsenal for Khadafy. Wilson hired former intelligence agents and Green Berets, explosives experts, renegades, drunks and misfits to carry out his bidding. He often tried to cheat the Libyans, often provided them with marked-up inferior goods and occasionally gave them what they wanted.

One of Wilson's earliest deals, in Goulden's view, also probably was his most frightening. In 1977, Wilson smuggled about 20 tons of C-4 plastic explosives from the United States to Libya in canisters marked "oil drilling mud." C-4 is a substance much coveted by terrorists — a chunk the size of a brick can blow up a house.

"This to me is the most horrible thing," Goulden said. "Every time I read a story about a bomb explosion in London, something the PLO has done, something the IRA has done, I think of that 20 tons of plastic that he shipped out to Libya and which the Libyans distributed all over Europe. ... The Harrods explosion (in London) right before Christmas was some of Wilson's C-4."

Wilson hired killers to go after Khadafy's political opponents; Wilson mercenaries flew combat flights into neighboring Chad; Wilson operatives carried out terrorists activities; Wilson contacts in the U.S. government provided Middle East intelligence for Khadafy, who no doubt passed it along to the Soviets.

All of this did not go unnoticed by federal authorities, as early as August 1976, former Wilson operatives were talking to the CIA. But the agency was extremely slow to act.

"The CIA people argue that he was not one of us after 1971," Goulden explained. "Congress has made it very clear that we have no internal police function. We are not a prosecutorial or investigative agency in the United States. They turned it over to Justice and washed their hands of it. ..."

"I guess the easy way out is just to say, 'OK, we got rid of the guy, so what the hell else can we do? He doesn't belong to us, hasn't belonged to us for five years. Why bring up more history that people can hit us over the head with?'"

It was not until 1981 that federal investigators began to unravel Wilson's labyrinthine network of deals, hit squads and intelligence-peddling. And it was not until the following year that Wilson was lured out of Libya with a bogus offer to rejoin U.S. intelligence as a kind of "super-spook" based in the Caribbean.

Yet, despite the fact that Wilson is now locked away, despite the fact that stiffer controls have been placed on agency proprietary companies, Goulden is profoundly worried by the case.

"The Ten Commandments no longer provide enough moral law for our world," he lamented. "You used to think they pretty well covered every situation. But they don't. And I think we're going to see a lot more of his genre come along — if not out of CIA, then out of other agencies."

"Man's propensity for violence, for terrorism, is something I think is going to be haunting us a long time."