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Wilson trial evidence will 'shake' CIA

Associated Press

A defense attorney said yesterday former CIA agent Edwin Wilson's trial on charges of aiding Libyan terrorists will reveal sensitive information that "will shake the CIA to its foundations and perhaps even the government itself."

After a federal judge refused to alter the \$20 million bail on which Wilson is being held, attorney Herald Price Fahringer told reporters the "explosive" information comes from Wilson's "ex officio work with the CIA overseas" after he left the government.

"Our defense will of necessity require us to divulge sensitive information that will shake the CIA to its foundations, and perhaps the government itself," Fahringer said. He declined to describe the information but said, "It reaches up into some very high places."

Earlier, Fahringer warned U.S. District Judge John Lewis Smith that Wilson's defense will raise "graymail," a tactic of threatening to expose secrets so grave that the government would prefer to drop the case. The case would be the first test of a new federal law designed to reduce graymail by allowing judges to examine and screen such material in closed sessions.

Fahringer told reporters Wilson had obtained the information after he left the CIA in 1970 and after he was fired from a Navy intelligence task force in the mid-1970s. The CIA has denied having official contact with Wilson after he left.

After leaving federal employment, the government says, Wilson organized 16 consulting businesses in Washington before moving to Libya just months before he was indicted here in April 1980. Federal grand juries are investigating whether Wilson corrupted then-active CIA officers, shipped C-130 airplane parts to Libya and had any links to the shooting of a Libyan dissident in Colorado in 1980.

Wilson is charged with illegally shipping more than 20 tons of plastic explosives to Libya, setting up a terrorist training school there and conspiring to assassinate a Libyan dissident in Egypt. Wilson, who has denied those charges, was lured by an elaborate government scheme to his arrest in New York last month.

After a 90-minute hearing, Smith concluded, "there is a substantial risk of flight" by Wilson. He denied a defense request for bail of \$500,000 and a government motion to deny any bail.

Smith promised prosecutors another hearing should Wilson appear ready to post bail. Fahringer pledged to appeal Smith's ruling.

Fahringer told Smith that Wilson had provided sensitive intelligence information to the government while he was in Libya and had offered to provide more in an effort to resolve the charges against him.

But Assistant U.S. Attorney Carol Bruce told the judge the government considered the information which Wilson supplied "worthless, untruthful in large part and useless in demonstrating that he would ever bargain in good faith."

Ms. Bruce said that if released "Wilson may attempt to make good on his rather serious threats against [Assistant U.S. Attorney E. Lawrence] Barcella," chief prosecutor in the case.

In a brief, the government said Wilson, unaware he was being lured to his arrest, plotted last month in front of an undercover U.S. marshal to kill Barcella.

Fahringer said he would challenge the legality of the scheme, apparently masterminded by businessman Ernest R. Keiser, claiming to be a consultant for the National Security Council, that lured Wilson to the Dominican Republic, where he was denied entry and put on a plane to New York.