

APR 29 1966

Approved For Release 2000/08/26 : CIA-RDP75-00001R000400190076-1

Spy Suspect Balked

in Slander Suit by CIA 'Privilege'



YURI RAUS



JUDGE ROSZEL C. THOMSEN



By Bob Burchette, Staff Photographer
EERIK HEINE

... principals in yesterday's hearings in a case where an Estonian emigre was labelled a spy by a CIA agent

By Stephen S. Rosenfeld
Washington Post Staff Writer

BALTIMORE, April 28—A weird confrontation took place in Federal Court today between an accused Soviet spy and an admitted operative of the Central Intelligence Agency.

For three hours the supposed spy, Estonian emigre Eerik Heine, dourly watched his two lawyers try to root information from the man who so labeled him, fellow emigre Yuri Raus.

But at each probe Raus's battery of five attorneys dropped around him a protective claim of "privilege" based on two contentions: That in calling Heine a Soviet spy he acted in his scope as a CIA agent, and that further disclosures would compromise American intelligence.

Case Is Continued

Heine's lawyer said it was pointless to go on. Chief Judge Roszel C.

Thomsen continued the slander case to May 13 for final arguments on a Raus motion to dismiss Heine's \$110,000 suit.

Heine, 46, now a Canadian citizen, and Raus, 39, a Washington highway engineer, affected not to notice each other in court. They last met, Heine told newsmen in the corridor, in 1960 when Raus invited him to give a speech on his anti-Communist exploits.

(The Justice Department and FBI refused to comment on the question of why Heine is not being arrested, if he is accused of being a spy. One official noted privately that Heine's arrest might be construed as gross interference in the Baltimore court action.)

Slumped behind lawyers Ernest C. Raskauskas and Robert J. Stanford, Heine looked small and pinched, almost furtive. The boyish-looking Raus sat warily in the witness chair, pausing at each query for a signal by CIA to defend him.

To begin, Judge Thomsen

made clear his wish to get as many facts on record as security would allow.

Privileges Claimed

The defense then summarized its previous privilege claims. It conceded that "any privileges impair to an extent the judicial search for truth" but argued that a ruling against Raus, who is "prevented by the nature of his job from defending himself," would expose "every agent of the CIA throughout the world to the peril" of law suits.

Also submitted was CIA Director Adm. William F. Raborn's first statement in the 18-month-old case. He said he had "personally determined" that further disclosures by Raus would compromise intelligence sources and methods.

Raus revealed under questioning that his 1965 Army reserve pay of \$1000 included a bonus paid while he attended an "intelligence

school." CIA counsel Houston added that Raus "was paid directly or indirectly" for CIA service "during the times in question"—that is, in 1963 and 1964 when he called Heine a Soviet agent, in order to discredit him in Estonian emigre circles.

The Judge ruled that Raus did not have to answer these questions: Was intelligence school part of reserve duty? Was all his Bureau of Public Roads pay for Bureau work? What was his income beyond Bureau and reserve pay? What income did he report on Federal tax returns?

Raus said he had told Estonian emigres who doubted his charges against Heine to check with the FBI. Asked if he had conferred with the FBI before saying that, Raus huddled with his lawyers and declined to answer.