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The Shadow Grows

SPOOKS: The Haunting of America—The Private Use of Secret Agents. By Jim Hougan. Morrow. 478 pp. \$12.95

By ALLEN WEINSTEIN

"AMERICA," Jim Hougan writes, "has become a haunted house aping its own worst fiction, a rambling, Victorian manse whose rooms contain spooks of every kind." Hougan, *Harper's* Washington editor, has emerged from four years spent researching the international underworld of private U.S. intelligence agents with a lively, well-researched, and occasionally garrulous book. He is a superb storyteller, and the pages teem with unforgettable characters from the bizarre world of private domestic intelligence.

Hougan has stitched together three distinct themes, each a volume in itself. The book's overt theme is the author's concern for the dangers of our virtually unregulated universe of "private CIA's for hire," which he argues "have metastasized across the landscape" of America since the Second World War. These agents include not only 32,000 licensed private investigators, but also 4,200 registered firms dealing in "security work" (five of which, according to Hougan, account for half the revenue in the field). All have access to the modern technology of surveillance.

Thus, at one level, *Spooks* deals with the use of intelligence operatives by multinational corporations, the super-rich, and the malevolent wealthy. Hougan believes that the problems such firms pose for democratic institutions have not yet been fully confronted: "The technology needed to realize Orwell's worst nightmares is available, poorly regulated and widely abused, but so far the United States has escaped its full potential." Moreover, Hougan asserts that "the U.S. intelligence community has become an instrument of multinational corporate policy, reversing the natural order of things." Almost none of the material in *Spooks*, however, documents the precise extent and manner by which this process has supposedly taken hold.

Of more immediate concern to the author than multinational machinations are the extraordinary intrigues of Robert Vesco and Howard Hughes, two master buccaneers of American enterprise whose

schemes and those of their henchmen fill more than half the book. Hougan has collected a chilling mass of material—from interviews, government records and published sources—to document the elaborate plots engaged in over the past quarter century by Vesco, Hughes, and their respective associates: suborning politicians, manipulating government intelligence agencies, and adding to their often-corrupted riches. These chapters form the heart of Hougan's book and distill impressively the unsavory careers of two American Midases.

A third concern throughout *Spooks* involves "the milieu of intelligence," particularly its major private operatives. The author's portraits of leading figures in the field will probably become a source book

for the spy novelist in search of ominously credible master agents. We may expect thinly disguised fictional treatments in the years ahead of such people as arms merchant Mitch WerBell, of Howard Hughes' one-time chief of staff Robert Maheu, and of the late and legendary "wire man" Bernard R. Spindel.

Hougan's ability to convey both the devious skills and the sometimes paranoid purposes of his leading "spooks" reflects an admirable measure of empathy for the men, if not for their missions. In most of these private intelligence agents, who began their careers working for the OSS, CIA, FBI, and other government agencies, Hougan finds what he calls the "agent's syndrome," an inability to abandon either the practice or the mystique of covert operations, once civilians. "The Federal intelligence complex," Hougan writes, "serves as a kind of tax-supported university for industrial spooks... [whose] clandestine crafts... eventually, are brought to bear against private citizens, business competitors, and even the government itself." The book describes the fearsome "operational" end of the work engaged in by private spooks, drawing together material some of which had previously appeared in the writings of Victor Lasky, Edward Jay Epstein, the various Hughes and Vesco biographers, and in studies of Watergate and the intelligence agencies' scandals.

The result, in *Spooks*, is a work crammed in somewhat disorganized fashion with superb tales: Mitch WerBell's aborted "invasion" of the Bahamas (a local plot hatched "in meetings at Duke Zeibert's restaurant, the Class Reunion bar, and WerBell's \$95-a-day suite at Washington's Hay-Adams