Sanitized Copy Approved for Release 2010/07/23 : CIA-RDP90-00552R000707170009-2

ARTICLE APPEARED
ON PAGE /2

NEW YORK POST 22 March 1984

WHITE RETRACTS SALVA DEATH SQUADS CHARGE



ROBERT WHITE Faces \$ 10M lawsuit.

By NILES LATHEM

Bureau Chief

WASHINGTON — Hours after being hit with a \$10 million libel suit, America's former ambassador to El Salvador took back his charge that a Salvadoran businessman funded government-sponsored death squads.

Last night's astonishing development came when former Ambassador Robert White stunned the Senate Subcommittee on Western Hemisphere Af-

fairs by admitting an error was made in an earlier report for the U.S. Embassy.

White is a key figure in mobilizing Democratic-opposition to the Reagan administration's continued military support of El Salvador.

Republicans charge he is part of a well-orchestrated campaign to link leading Salvadoran presidential candidate Roberto d'Aubuisson to right-wing death squads.

White reportedly helped organize a group of Democratic congressional aides and businessmen, who paid a senior Salvadoran military official \$50,000 to incriminate Salvadoran officials.

The military man accused senior governmentofficials of orchestrating right-wing death squad activity.

The link between d'Aubuisson and death-squad activity is a crucial argument being used by congressmen who oppose Reagan's request for \$93 million in emergency military aid request for El Salvador.

Last month, in a series of public appearences before Congress and the press, White named six Salvadoran businesmen he said funded and planned death squad activity from Miami.

He claimed they gave their orders directly to d'Aubuisson.

But one of the men, identifed as Arturo Muyshoudt, filed a \$10 million lawsuit against White—accusing him of four counts of libel and slander.

Later that day, White appeared before the Senate subcommittee's hearings on aid request.

At the conclusion of his testimony, White read out a hastily prepared statement, saying:

"As a result of inquiries I've made, I would like to take the first opportunity to say that it appears this source may have been in error."

Leonard's partner, Dan McGuan — who is also working on the libel case — told The Post that his client does not live in Miami.

McGuan said his client, who lives in El Salvador, will not drop the law suit despite White's retraction.