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JACK ANDERSON and JOSEPH SPEAR

Controversy Continues to Surround Ky

A continuing controversy surrounds the reports that former South Vietnamese premier Nguyen Cao Ky has been involved with Vietnamese criminal gangs operating in this country.

We reported in the past that law enforcement officials had fingered Ky in a 1979 report as a leader of underworld activity in the Vietnamese community. The report was based on "raw" intelligence, but police sources said the information came from sources they trusted.

Ky has vehemently denied the charges, and solid information linking him to specific crimes has yet to surface. In fact, one former U.S. intelligence expert blamed the allegations about Ky on a deliberate disinformation campaign by communist infiltrators trying to discredit Ky's opposition to the Hanoi regime.

Nevertheless, accusations about Ky persist in government circles. A recent internal Justice Department strategic assessment, obtained by our associates Corky Johnson and Donald Goldberg, identifies Ky as a possible crime leader.

Dated last March 1, the report states: "One individual who has been identified as a major figure with Vietnamese organized crime (although he denies it) is Nguyen Cao Ky. Ky lives in Huntington Beach, Calif., and operates a liquor store. The Vietnamese gangs are also allegedly headed by former South Vietnam army generals and officers."

It is not clear whether the Justice Department investigated Ky or simply relied on other sources. One source might have been an unidentified witness who testified before the President's

Commission on Organized Crime. The witness, who said he had been a gang member, named Ky as a leader of the Vietnamese underworld. He said Ky's gangs used criminal activities to raise money for anticommunist efforts.

The witness' charges were not corroborated.

The recent Justice Department report charges that Vietnamese gangs "are responsible for murders, robberies and extortions, as well as trafficking in marijuana among Asian communities."

The report said such criminal activity by Vietnamese gangs has been detected in 13 states, with most activity reported in areas having the largest concentrations of Vietnamese refugees: southern California, Houston, New Orleans and Arlington, Va. Other areas identified were Pennsylvania and Illinois.

The Vietnamese gangs' membership is tiny compared to other underworld organizations. "It is estimated there are about 1,000 members nationwide and that each gang in each city functions under a statewide boss," the report said.

But they evidently try harder. At secret training camps, gang members learn how to use weapons, how to rob rival Chinese gangs' gambling operations, how to extort money from local merchants "and other crimes," according to the Justice Department alert. "In Virginia, police testified that Vietnamese gangs have been responsible for arson, assault, murder and robbery of other Vietnamese nationals."

Since we first reported two years ago on the Vietnamese gang threat, no arrests have linked Ky directly to the criminal activity.