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SUBJECT The Edwin Wilson Case

MAN: ...and who sold munitions to the Libyans. He was a man who performed assassinations at their request. And he was a man who brought his terrorism back to the United States and tried to kill a bunch of American citizens.

TED KOPPEL: Tonight we'll go live to the federal penitentiary at Marion, Illinois to talk with a man who's been called "The Merchant of Death," former CIA agent Edwin Wilson, convicted of selling arms and explosives to Libya's Colonel Qaddafi. This is Wilson's first live television interview since he was sent to prison five years ago.

Good evening. I'm Ted Koppel. And this is Nightline.

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KOPPEL: Remember the opening sequence of the television series Mission Impossible? It had its variations, but one part of the sequence was always the same. When the instructions for that week's particular mission were complete, the anonymous voice on the tape would deliver the same grim message: "Fail, and the Secretary will disavow all knowledge."

That, in a nutshell, is what Edwin Wilson would have you believe happened to him, for real. He claims that everything he did -- and he was involved in some very sleazy operations -- all those things were done in behalf of the U.S. Government. Only he, Wilson, got caught, nailed by a diligent prosecutor. And now the Central Intelligence Agency and the U.S. Government in general is disavowing all knowledge.

If that's true, Edwin Wilson is living a nightmare. More

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likely, however, as Nightline correspondent James Walker now reports, is that Wilson was a man who created nightmares.

JAMES WALKER: Edwin Wilson has had his day in court. Now he spends his days in prison serving sentences totaling 52 years.

MAN: Ed Wilson was a very cold-blooded, very ruthless, very greedy man. He was a man who sold munitions to the Libyans. He was a man who performed assassinations at their request. And he was a man who brought his terrorism back to the United States and tried to kill a bunch of American citizens.

WALKER: Wilson's courtroom battles involving his Libyan activities began in 1982. Alexandria, Virginia, his first conviction: 10 years for selling arms to Libya, an M-16 rifle and several handguns. Federal prosecutors say this initial shipment was a signal to Qaddafi that Wilson could deliver.

1983, Houston, Texas, his second conviction: 17 years for shipping 21 tons of sophisticated plastic explosive to Libya on board this chartered cargo plane.

1983, New York, New York, his third conviction: 25 years for trying to hire hit men to murder two federal prosecutors and six witnesses.

MAN: Not only did we have hit lists that Wilson had written in his own handwriting, which we authenticated and which had his fingerprints on them, but we had a number of tapes.

WALKER: While in prison, Wilson is recorded trying to hire a convicted murderer to kill a potential witness named Krimmer (?).

[Unintelligible tape]

MAN: I think he was motivated by greed, to a very large extent, and for revenge. He sought to even the score.

WALKER: Ironically, the first indictment against Wilson charged him with conspiring to supply Libya with a terrorist training program. That charge was dropped because it was a difficult case to prosecute, and a Justice Department lawyer later said it was like beating a dead horse.

But two weeks ago Nightline talked to former Green Berets who say they worked in Libya for Ed Wilson.

MAN: My boss was Edwin Wilson. Edwin Wilson paid us.

WALKER: Luke Thompson was on active duty when he led a training team of retired Special Forces experts to Libya. They received their orders from the Deputy Chief of Libyan Military Intelligence.

LUKE THOMPSON: His requirements would be to train airborne techniques, demolitions, manufacturing of bombs, booby traps, monitoring phone lines, surveillance, assassination. All the things required in terrorist activities. We ended up training terrorists, the different terrorist factions, the IRA, the PLO the Red Brigade, folks like that.

WALKER: Why would Green Berets like Thompson go to work for Wilson? Wilson was a veteran of CIA cover operations. Although he officially left the agency in 1971, he maintained close ties with senior members of the agency's covert operations division.

The military men who claimed they were recruited by Wilson to train terrorists in Libya said they believed Wilson represented the CIA.

MAN: Someone extremely high up in the agency backstopped this operation for Mr. Wilson. It had to be. I don't know. I could be wrong, but that's the only way I can figure out that I was allowed to do what I done without being stopped.

WALKER: Eugene Tefoya (?) is another ex-Green Beret who worked for Wilson in Libya.

EUGENE TEFOYA: I am a trained soldier. I don't ask questions of why the United States does that. I don't ask questions of why I was recruited. I believed then and I believe now that it was a special area, CIA-approved.

WALKER: But former CIA official George Carver denied it on Nightline.

GEORGE CARVER: The Wilson case was reviewed by two separate inspector general -- inspectors general and by the House Permanent Select Committee on Intelligence in 1982. And they found that Mr. Wilson was reprehensible, but the agency itself was not at fault.

WALKER: If Wilson was not working for the CIA, his free-lance operations were certainly lucrative. This was his million-dollar estate in the exclusive Virginia countryside. And he's rumored to still have more than ten million dollars hidden in secret bank accounts.

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Whatever Wilson's motivation, there is concern that the legacy of his work in Libya in the 1970s is reflected in the terrorist incidents of the 1980s. The 21 tons of plastic explosives that Wilson was convicted of shipping to Libya in 1977 have a shelf-life of 20 years -- that is, until 1997.

KOPPEL: When Edwin Wilson saw our broadcast two weeks ago in which we discussed his activities in Libya, he asked for a chance to rebut those charges. He'll have that chance in a moment. And later we'll be joined by bestselling author Peter Maas, who in his book on the case calls Wilson a CIA agent turned terrorist.

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KOPPEL: With us now live from the federal penitentiary at Marion, Illinois is former CIA operative Edwin Wilson, currently serving 52 years on all charges.

Mr. Wilson, you heard what George Carver, who also used to be with the CIA, had to say about you. You, he said, may be reprehensible. The CIA is clean.

What do you say?

EDWIN WILSON: Well, Ted, I say that he's completely wrong. And I didn't know Mr Carter [sic] when I was in CIA. I was always outside working under cover. I've never even been in the building.

I think time will prove that I was working there. I have been contacted -- when I left CIA and I left Naval Intelligence, I was contacted by Shackley and some other people. Keep in mind that this was just after the Vietnam War and...

KOPPEL: Let me stop you right now. Be careful when you just throw names around. You've got to understand most of our audience doesn't know who these people are. So identify. Who's Shackley?

WILSON: Shackley was the Deputy Director of the Plans Division of the agency, a very high official.

So when Carter came in and Admiral Turner came in, the whole thing changed. And there was -- as President Ford said in his book, there were eight committees and 200 people on the Hill that knew every covert operations that the CIA did.

KOPPEL: Let me get down to basics here. When you -- and you have been convicted on these charges now, so we're not talking about stuff that's still up in the air.

WILSON: Right.

KOPPEL: When you arranged to have tons of C-4 plastic explosive delivered to Libya, when you sent former Green Berets over there on contract to Libya to train people in making mines, in making explosives, in assassination, who did you think you were doing that for?

WILSON: All right. I was doing that as a covert agent. And as a matter of fact, those charges are wrong. If you'll give me a second to explain, I'll tell you exactly what happened.

There was a man named Broward (?) on the West Coast that shipped explosives all over the world. I had four of his people. We went to Libya. We were to train 10 low-level soldiers on bomb disposal. This bomb disposal thing is what every city in the world uses in case they have a problem, and their police or whatever. These soldiers weren't able to learn the job, so my people sit in the hotel.

While they were sitting in the hotel, and I was in Europe, there were the Egyptians attacked Libya. The Libyan government put about -- actually put a gun at these people's head and took them to Tobruk and told them, "You will make some booby traps, 'cause we want to deny these villages that the Egyptians are attacking."

My men went up there. The man you had on the last program, George Doherty (?), was in charge. He got up there. He was nervous and got drunk. The Libyans gave him alcohol, thinking that would help. He made a few booby traps, put them in a truck. They all blew up, killed three Libyans. And my people were sent home.

KOPPEL: You know...

WILSON: But listen. That is one of the things that -- that's what I'm charged, with making bombs.

I had nothing to do with it. I would never have allowed it had I been there.

KOPPEL: Yeah. But, you know, when you send these special Green Berets over there, they weren't sent over there to act as police trainers. You know that. You could get guys like that on any street corner. You don't have to send special -- I mean guys who've been trained in anti-terrorist operations. You don't have to send them over to Libya.

WILSON: Ted, these were not Green Berets. These were ex-Army explosive ordnance people. And they went over there and

trained, just like they do here in the various cities.

KOPPEL: Well, Luke Thompson, Luke Thompson was Green Beret.

WILSON: Luke Thompson. Let me just tell you about Luke Thompson. Luke Thompson was still in the Army. I found out about it. He sit in a hotel for two weeks, when one day he went out where they were training. And when they make these training aids -- they were making some training aids. The training aid was a lamp and an ashtray and some other items, like a suitcase.

KOPPEL: That was going to blow up. Right? These were bombs.

WILSON: No, these were training aids. And the people...

KOPPEL: He described them as bombs.

WILSON: Luke Thompson -- I'll give you 50 names at Fort Bragg to check Luke Thompson out. He's a drunk. This is the first operation he was ever on that got any publicity.

KOPPEL: Let me stop you. Let me stop you. Hold on just a second. Let me stop you dead in your tracks for a minute.

You know what they've told me about Ed Wilson before this interview? They said, "He's going to blame everybody else in the world. The only guy who never did anything wrong was Ed Wilson."

WILSON: Fine. I can understand that, Ted. But let me make my point, will you?

The point is that Luke Thompson went out, saw these training aids, which had a little lamp on them. In case they were jiggled in the training, they would light up. That's the bombs and the terrorist things that he saw made.

KOPPEL: What were you doing...

WILSON: I want to tell you the truth.

KOPPEL: What were you doing for the CIA in Libya? Is it your contention you were operating in Libya for the CIA?

WILSON: Not for the CIA. I was working as an undisclosed businessman. The man that I was reporting to was a guy that I had had working with me in Naval Intelligence and I got him a job in Army Intelligence. Rafael Quintero was still in

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Army Intelligence up until the Virginia trial.

KOPPEL: Look, I'm sorry. I don't want to keep interrupting you, but we don't have unlimited time.

WILSON: I understand.

KOPPEL: And when you start going into all these side-names here, we don't know the names.

I'm asking you, were you under the impression that you were working for the U.S. Government over there?

WILSON: Yes. And I was sending the reports back to Army Intelligence, through Quintero, on a weekly basis.

KOPPEL: What reports?

WILSON: Reports on personnel, missile sites, airplanes, and so on and so forth.

KOPPEL: Whose personnel?

WILSON: Libyan personnel, the Korean pilots that they had there flying their MiG-25s, the MiG-23s, the missile sites they had, so on and so forth, the air defense system. We would make -- I made regular reports back to him.

KOPPEL: I'll tell you what. Let's take a break. And when we come back I want to ask you whether you think someone ought to be sitting in the cell. I mean some of those people who put you where you are today.

In a moment we'll be joined, however, also by Peter Maas whose books include "Serpico," "The Valachi Papers," and now, of course, his latest effort, "Manhunt," the story of the Edwin Wilson case.

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KOPPEL: "Manhunt: The Incredible Pursuit of a CIA Agent Turned Terrorist" is based on the Edwin Wilson case. It's author, investigative journalist and bestselling author Peter Maas joins us now live in our Washington Bureau.

But Peter, if you would, hang on for just a second because I want to go back to Edwin Wilson.

The charge against you, in a nutshell, Mr. Wilson, is that while you were once a CIA operative, you went bad, and you did it for your own enrichment. Now, just respond to that general charge, if you would.

WILSON: That's not -- Ted, it's not true. The money that I made, I made in real estate. And I had it before I went to Libya. And the money I made over there, I've declared every bit of it on income tax. And although the IRS has grabbed all my assets, we're now gathering together the documents and are able to prove that this is not true.

KOPPEL: Peter Maas claims that money paid to you by Libya was invested in or put into a Swiss bank account.

WILSON: That's a deliberate, absolute lie. And my attorney, Miss Van Soostern (?), is looking for people now to help her on a libel case. And we'll see how Mr. Maas's charges stand up.

KOPPEL: Peter, I've known you for a long time. You're a good, solid investigative reporter. I suspect you didn't just pull this out of thin air. What's your proof?

PETER MAAS: What's my proof about what?

KOPPEL: What's your proof about the money paid by Libya to Ed Wilson, put in a Swiss bank account?

MAAS: It's documented endlessly. His net worth when he was finally apprehended was a little over \$14 million.

WILSON: Well, how about the million in the Swiss bank account?

MAAS: Not all of that was in Swiss bank accounts. But millions and millions of dollars flowed through his accounts in Switzerland, and they're documented now.

Listening to Mr. Wilson, it's a little like Alice in Wonderland.

WILSON: Where do you have it documented, Mr. Maas?

MAAS: What?

WILSON: Where do you have it documented I had any money, a million dollars and South African gold, in Swiss bank accounts? How are you going to justify that? The FBI has all of my Swiss accounts. And all you had've done to check is just to check with your friends over at Justice, and you'd have found out it wasn't true at all.

I spent 10 hours with Mr. Maas in four different meetings, and I wrote him a letter and my lawyer wrote him a letter and said, "Listen, all we want to do is just check so that

you can print the truth."

He wouldn't let us. He didn't let us review his book.

KOPPEL: While, on the one hand, I don't want to waste a whole lot of time on this particular issue, Peter you haven't responded. Where is your proof?

MAAS: What, that he had the money in Swiss bank accounts?

KOPPEL: That he had a million dollars worth of gold in the Swiss bank accounts.

MAAS: No, no, no. He had it in secret accounts and in gold, mixed together.

WILSON: Where's your proof?

MAAS: Well, when you sue me, Mr. Wilson, I'll show you the documents.

KOPPEL: Well, I'll tell you what. We'll leave that to the court.

But right now I'm asking you, Peter, because you're sitting here as the expert on this case. So far, you don't sound terribly convincing.

MAAS: Well, I do the entire investigation of his funds. Part of it came from people in the Wilson organization of...

KOPPEL: Do you have documentation?

MAAS: ...about a million dollars that he had. Yes.

KOPPEL: All right. Well, we're not going to worry about a hundred thousand here or a hundred thousand there. But you've got documentation?

MAAS: Yes.

KOPPEL: Okay.

WILSON: I'll be glad to see it.

KOPPEL: What about the larger charge -- that you'll take care of in court, if it ever gets that far. But what about the larger charge that put you where you are now, Mr. Wilson? I still -- I'm still not hearing from you why it is. Because from your point of view, if your story is correct, the system went

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wrong. I mean here you were doing what you thought you were supposed to be doing on behalf of your government, and you're sitting there facing 52 years in the slammer.

How did that happen?

WILSON: Ted, basically, there was a tremendous amount of -- whenever you're tied up with CIA and Libya, you've got a lot of publicity. I'm not saying I didn't have a fair trial, but I didn't take the stand. I had problems with, basically, an incompetent lawyer. But that's not the problem.

The problem was I couldn't document. But the big problem was I couldn't -- I subpoenaed FBI records, CIA records, NSA records, and all my subpoenas were quashed. Now I believe we have the documentation to get these subpoenas out so that we can see the documents.

I didn't take the stand because I couldn't prove anything. I thought it would be turned over on appeal.

KOPPEL: Let me ask you the question that we raised when we did this broadcast a couple of weeks ago. Is there -- I don't know what's left inside you that can still give you some sense of squeamishness. But do you feel at all squeamish when you see that TWA plane with a hole blown in the side and a mother and her children are blown out, and you say that's the stuff that your people delivered over there to Libya?

WILSON: Listen, that's garbage. I never delivered any C-4 over there. And if you'll just give me one second, I'll quickly tell you the C-4 story.

Brower, who had shipped C-4 and explosives all over the world, met with the Libyans over there. They bought it from him. He shipped it. He made it look like drilling mud. I wasn't even involved. In fact, my freight forwarder, I told him, "Don't get involved in that."

Now, the jury didn't believe it. Maybe the next time they will. But as a matter of fact, I had nothing to do with it.

Now, the C-4 that came over there went to the Libyan army. It didn't go to intelligence. And I believe it was all used up. I don't care what ex-employees of mine are now [unintelligible] are saying.

KOPPEL: Peter?

WILSON: They'll get a chance to say it again in court.

MAAS: Ted, first of all, I wanted to see about this

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million dollars. I was fumbling before because I was so taken aback that Mr. Wilson would concentrate on the million dollars. I was thinking about the 21 tons of explosives that he delivered.

KOPPEL: Well, go on both, but do it quickly, please.

MAAS: And he does sound -- he reminds me of a Mafia boss who orders a hit. Now, the boss does not pull the trigger, he perhaps doesn't know all the details of the hit, but he decreed it.

Mr. Wilson, I do have documentation. I'm back on track now. He was paid approximately 9 -- close to \$900,000 for the C-4. Nearly \$700,000 of that went to Mr. Brower. It was transferred from a Wilson account in Geneva to a Brower account in Liechtenstein.

WILSON: That's not true at all.

MAAS: Back to Switzerland, and then to Brower.

WILSON: That's not true at all.

KOPPEL: Gentlemen, we've got to take a break.

When we come back, Ed Wilson, we'll spend the remaining time with you.

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KOPPEL: Continuing our discussion now with Edwin Wilson.

Mr. Wilson, you've had a lot of time to think, to contemplate. Why were you the only guy that got nailed?

WILSON: I don't know, Ted. Basically, let me just say this. Libya cost me my family, it cost me my reputation, and it cost -- the IRS grabbed all my money. That's not the thing that really bothers me.

What bothers me is that a guy like Maas would write a book with 175 places in it that I can show you that are either lies or misrepresentation or untruth.

But worse than that, and the reason I come on this program, there's at least four major top secret projects that he blew in that book: the missile project, the Iran project, the Swedish merchant marine, the Turkish Dardanelles project. He did it for one reason, to make some money. And I just think that's despicable and beneath contempt.

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KOPPEL: Well, I'm going to give Peter a chance to respond to that. But I've got to tell you, based on everything that's come out in court proceedings about you, for you to be talking about people doing despicable things for money does seem like the pot calling the kettle black.

WILSON: Fine, Ted. Will you just give me -- the next time, when we prove this thing and when I can prove my innocence on this, let me go back on your program.

KOPPEL: You've got that guarantee.

Now, Peter, what about these secret missions you allegedly blew?

MAAS: Well, you took the words out of my mouth. Nobody else has complained about them except Mr. Wilson.

WILSON: Nobody complained? Where did you get the information, Mr. Maas?

MAAS: Well, that's my work. I'm a reporter.

WILSON: Yeah. You brag about your connections with CIA. You call me a terrorist. You're a journalistic terrorist. You take top secret projects and throw them out just to make money. Who's the terrorist?

KOPPEL: Now wait a second. If in fact he had done that, you know...

WILSON: He did it.

KOPPEL: Well, now wait a second. If in fact he had done that, then why would not the CIA, the FBI, the National Security Council -- there are all kinds of people who would be concerned about that. The only one who is blowing his mouth off about it is Ed Wilson. Why?

WILSON: The book just came out two or three weeks ago and they haven't time to react. They'll react.

KOPPEL: It's been in print. We've all had time to read it. You've had time to read it. So have they.

WILSON: Well, I don't know if they're reacted or not, Ted. I hope they do react. I hope they file charges against him. I'd be glad to testify.

KOPPEL: All right. Well, when the next round of court proceedings is over, open invitation, Mr. Wilson. You can come back. And I appreciate your coming by tonight.