Rewald or his associates at his direction." The Advertiser said another official familiar with the case said that the supposed arms deals were invented by Rewald, who informed the CIA about them "in a desperate attempt to maintain or enhance his relations with the agency at a time when his company was in trouble." Michael Barrett, general counsel of a congressional subcommittee investigating the case, said that he had seen no proof of any such arms deals.

Shepard said that ABC had learned that the CIA had admitted to this subcommittee that Rewald was an agent with a signed secrecy agreement. Barrett told the Honolulu Advertiser that the CIA had denied that Rewald was an agent and had not acknowledged that he had a secrecy agreement.

ABC Buys A Flake's Story

ABC saved its most sensational charge for the evening news on September 20. Correspondent Gary Shepard began by asking: "Did the Central Intelligence Agency try to have Ronald Rewald killed to keep him from talking?" Then Rewald appeared on the screen, saying: "At first I didn't believe it. I thought it was total nonsense, and it took a lot of convincing and a lot of evidence and a lot of the facts to be checked out before I recognized that it was, in fact, what was going on."

That might give the viewer the impression that ABC News had also looked at all of that evidence and checked out all those facts before it proceeded to air the charge that a man named Scott Barnes had been assigned by the CIA to murder Rewald in the prison in which he was being held in Hawaii. But the only evidence that Gary Shepard put on the air was the uncorroborated statement of Barnes himself.

Barnes, identified by Shepard as a man "who sources say has an extensive intelligence background," was shown claiming that he had been sent into the prison as a guard "to do a profile" on Rewald and "find out who he's talking to." He claimed that he was later summoned to a meeting with his CIA contact, who told him, "We've got to take him out." Barnes said that meant to kill him. Asked why the CIA would want to kill Rewald, Barnes said that he had become a problem, "he was no longer an asset, he's now a liability." Shepard reported that Barnes had said he "quit the assignment and left Hawaii."

Shepard presented no corroboration of this very grave charge, but in order to lend weight to it, he put on the air two individuals who made statements suggesting that the CIA would murder to get its way. One was Ted Frigard, an investor who claimed to have lost $287,000 he had invested in Rewald's firm. He filed a suit against the CIA on the theory that Bishop, Baldwin was the CIA's responsibility. He told ABC that the government had offered to pay him $350,000 to drop the suit. He said that the individual who allegedly made this offer, whom he did not identify, left him with this warning: "You know, if you become too big of a pain in the arse, they will shoot you through the heart. They will report it as a heart attack. Your body will be cremated by mistake, and all that will be left will be the coroner's report that you had a heart attack." The CIA has not paid Frigard a cent, and he's still suing.

The other weight-adding witness was Brent Carruth, identified as "a defense attorney in another CIA case," who alleged that one of the attorneys prosecuting Rewald had told him "in no uncertain terms that they would take any steps that were necessary to protect a particular agent and that they were going to cover people."

So all the evidence that convinced Rewald that the CIA was out to kill him comes down to the story of Scott Barnes. Did ABC have good reason to trust Scott Barnes to the point where it announced on the air on September 26 that it was standing by its story in the face of a strong denunciation of it from the CIA?

Alan Dawson, former UPI bureau chief in Saigon and Bangkok, wrote an article about Scott Barnes entitled, "Scott Barnes: My Favorite Flake," that was published in the Spring, 1983 issue of Soldier of Fortune magazine. He tells of an encounter he had with Barnes in Bangkok in 1981. Barnes told Dawson that he was going to Laos to hunt for American POWs, and he wanted Dawson's help. His efforts had gotten off to a bad start, he said, because the U. S. government was trying to stop him. It had arranged for his baggage, containing $15,000, to be stolen by the driver who had taken him from the airport to the hotel in Bangkok. This had been accomplished, Barnes said, by having two Thai soldiers run out of the coffee shop door past his car, firing their M16s into the air. Barnes had taken cover, and the driver had sped off with his baggage. All of that excitement had been missed by two Soldier of Fortune staffers who had observed Barnes arriving at the hotel and walking into the lobby with his luggage.

Dawson said Barnes wanted his help in getting to the Cambodian border where he was to meet a Laotian who was supposed to tell him just where he could find the American POWs in Laos that he was supposed to rescue. He thought that getting to the Cambodian border was a clandestine matter and seemed to be taken aback when Dawson suggested that he take a taxi. When Dawson next saw Barnes, he claimed that he had been to the border and had swam across into Cambodia to look around. Dawson commented: "Barnes is the first person in recorded history to swim across the Thai-Cambodian border if he did so . . . there is no river, creek or stream."

Barnes Helps the Reds

Dawson tells of a second trip Barnes made to Thailand, when he claimed that with five other Americans and 30 Hmong tribesmen he entered Laos. Only this time he said he was on a mission for the CIA. He said a similar team that had earlier gone into Laos to try to obtain photographic evidence that POWs were being held there and had been captured. Barnes claimed that the CIA had ordered his group to try to rescue the first team but to kill them if necessary to keep them from talking.

Asked why the CIA would want to kill the members of the first team, Barnes said "that possibly the U. S. was involved in getting chemical warfare, biological stuff, over there." That suggested that the first team had really gone in to plant false evidence that could be used to accuse the communists of engaging in biological warfare, spreading what has come to be known as "yellow rain."

NOTES FROM THE EDITOR'S CUFF

By Reed Irvine

December-B 1984

ON DECEMBER 7 THE PEOPLE'S DAILY IN CHINA PUBLISHED A PAGE-ONE EDITORIAL THAT made news around the world. Here are some of the things it said that explain why. "Marx passed away 101 years ago. His works are more than a century old. There have been tremendous changes since his ideas were formed. Some of his ideas are no longer suited to today's situation, because Marx never experienced these times, nor did Engels or Lenin. So we cannot use Marxist and Leninist works to solve our present day problems....We must study some modern economic theories, as well as modern scientific and technological know-how. Studying Marxism means a study of universal laws, elaborated by general writings and opinions on how to solve problems. We can never adhere rigidly to the individual words and sentences or specific theories....In terms of Marxism and Leninism, we cannot be dogmatic. Times are changing. If we continue to use certain Marxist principles, our historic development will surely be hampered."

THE DETROIT NEWS MADE THIS ITS LEAD STORY OF THE DAY UNDER A THREE-COLUMN HEADLINE. The story was featured on page one in The Chicago-Sun Times, The Philadelphia Inquirer, The St. Louis Globe-Democrat and The Richmond Times-Leader. Many other papers, including The New York Post, The New York Daily News, The Los Angeles Times, The Baltimore Sun and The St. Louis Post-Dispatch put the story inside but no deeper than page 7. The Washington Times, which doesn't publish on weekends, carried the story on page one on Monday morning. That suggests a consensus that this was significant news.

THE WASHINGTON POST AND THE NEW YORK TIMES, THE TWO DAILIES THAT ARE ALWAYS AT the top of the list of "best" papers in the nation, are conspicuously missing from the above list--and it's not an accident. The Times missed the story completely the first day. However, it did catch up on December 9, running a UPI story on page 21 under the headline, "China Calls Rigid Adherence to Marxism 'Stupid.'" The Washington Post stood out for the contempt with which it treated the story, relegating it to three short paragraphs on page 20. An editor explained that they handled the story this way because they didn't have a correspondent in Peking, implying that they don't trust the wire services. The Wall Street Journal carried a story from its Peking correspondent on December 10 which didn't give the impression that the editorial in the Peking daily was of great importance. The story, which quoted only three sentences from the editorial, was buried at the bottom of page 31.

THE ONLY TV NETWORK THAT CAME CLOSE TO DOING JUSTICE TO THE STORY WAS NBC. CORRE-spondent Garrick Utley's report was brief but to the point. He said: "Something uprecedented happened today in the communist world. The teachings of Marx and Lenin were declared outdated...they cannot solve China's problems. In the past, other communist countries have bent the rules, but no communist party has ever said publicly that Marxism as practiced in the Soviet Union, Eastern Europe and Cuba is obsolete." ABC barely mentioned the editorial, and CBS ignored it altogether. I didn't personally see it, but I have been told that the MacNeil-Lehrer News Hour on PBS did a good report on the story and that Jim Lehrer said it ought to be front-page news.

NEW YORK TIMES COLUMNIST WILLIAM SAFIRE SAID THAT THE BIG EVENT OF 1984, FROM THE point of view of world history, "was surely the rejection of Marxism and embrace of capitalism by the government of a billion Chinese." The day after that appeared, The New York Times reported that the People's Daily had published an unusual front-page