

NEW YORK TIMES  
25 July 1968

RJB

File

HEINZ RAUS

Page 22

**C.I.A. IMMUNITY CASE  
RETURNED TO COURT**

Special to The New York Times

RICHMOND, July 23—The United States Court of Appeals for the Fourth Circuit has returned to a lower Federal court for further consideration the question of the extent to which an agent of the Central Intelligence Agency enjoys immunity in testimony that allegedly is slanderous.

The action came on the appeal of Erik Heine, about 42, an émigré from Estonia with a history as an Estonian freedom fighter.

Mr. Heine in Federal District Court had sought \$10,000 in general damages and \$100,000 in punitive damages from Juri Raus of Hyattsville, Md., a part-time agent for the C.I.A.

Federal District Court Judge Rozel C. Thomsen of Baltimore had dismissed the slander suit, brought by Mr. Heine on the allegation that Mr. Raus had called him an agent of the Soviet secret police. Judge Thomsen said Mr. Raus could not be forced to testify because of governmental privilege.

The appeals court said that "absolute privilege is available to Raus if his instructions were issued with approval of the director [of the C.I.A.]" or by an authorized agent of the director.

determine whether either of those factors was present in Mr. Raus's alleged slander.

It directed the lower court to

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(47)

## ESTONIAN'S CASE AGAINST CIA REVIVED

### Ruling Ending Slander Suit Is Upset By Appeals Court

The Fourth Federal Circuit Court of Appeals upset yesterday the ruling that ended a \$110,000 slander suit filed against a CIA operative by a man who said he was an Estonian freedom fighter.

The appeals court sent the complaint of Eerik Heine, 46, who now lives in Canada, back to the trial court so that additional CIA statements could be added to the record.

Mr. Heine claimed that the CIA was active in attempting to ruin his career as a lecturer on anti-Communist activities in Estonia by calling him a planted Soviet agent.

He identified Juri Raus, 38, of Hyattsville, as the person who brought to a New York meeting of Estonian groups information supplied by the CIA.

#### Sources Withheld

After a slander suit was filed against Mr. Raus, whose "overt employment" was said to be the Bureau of Public Roads in Washington, the Federal Court decided that the case could not be tried.

Chief Judge Roszel C. Thomsen pointed out in a lengthy opinion that the CIA refused to disclose the sources of information on Mr. Heine, except to admit that it had sent an agent to New York.

The Government agency was upheld when it asserted that it had an "absolute privilege" to refuse to reveal the source of its information in the interest of national security.

Although the Fourth Circuit Appeals Court agreed with the assertion of this privilege, the case was sent back so that the record would show the CIA director authorized the instructions.

The CIA director's affidavits state that Mr. Raus acted under instructions, "which implies that the instructions were given by" an authorized official of the spy agency.

However, the record still carries the "permissible inference that instructions were given by an unauthorized underling and that the action has never had the approval of a responsible official of the agency ...", it was said.

"The inference seems unlikely, but we cannot say it is foreclosed by the present record," Chief Judge Clement F. Haynsworth, Jr., concluded.

Judge J. Braxton Craven, Jr., an associate judge on the court, filed a separate opinion calling for reopening of the case for several additional points.

not feel that prior legal decisions on the subject allowed the Government to claim immunity where defamation is chosen by a Government agency as a deliberate policy.

Although the CIA may adopt such a policy in the interest of the United States, Judge Craven said that he would not grant an individual "absolute executive immunity."

In this case, the judge added, the district court should consider whether Mr. Raus, by reason of his position in the Estonian Legion, is entitled to assert the qualified privilege reserved for those who have special interests to protect.

Also, it was stated, Mr. Heine should be subject to the scrutiny of the district court to find out whether he is such a public figure that the defendant could raise a privilege against suit.

Mr. Heine said that he had been a prisoner in Russian prison camps and a guerrilla fighter against the Communist takeover of his country. He lectures to various Estonian emigre groups and shows a movie, "Creators of Legend."

25 JUL 1968

RJB-info

Thompson  
File

The right of the CIA to shroud its members in anonymity has been affirmed by the 4th U.S. Circuit Court of Appeals in Richmond, Va. The decision involved charges of espionage the Central Intelligence Agency leveled against an Estonian emigre living in Canada. The controversy arose from an alleged attempt by the CIA to brand Eerik Heine a Soviet agent. Heine filed suit, contending that the allegations by Juri Raus, another Estonian emigre, were false. Raus countered that he was following CIA instructions in denouncing Heine as a Soviet agent. The appellate court ruled that the identity of the CIA official who allegedly ordered Raus to accuse Heine was not required.

RJB

Front Page    Ed: Page    Other Page

RICHMOND, VIRGINIA  
NEWS LEADER

E-127,280

JUL 24 1968

# Espionage Case Is Sent Back for Inquiry

The 4th U.S. Circuit Court of Appeals has vacated a judgment by a federal district court in Baltimore that involved charges of espionage against an Estonian emigre residing in Canada.

According to a complex 15-page opinion released Monday, the "partially surfaced" controversy arose from an alleged attempt by the Central Intelligence Agency to expose Eerik Heine as a Soviet agent.

Heine contended that the allegations by Juri Raus, another Estonian emigre, were false and brought suit against Raus in the Baltimore court.

Raus had contended that he was acting under CIA instructions in his public statements that branded Heine as a Soviet agent. The district court entered a summary judgment in favor of Raus.

Monday's opinion affirmed the "right of the CIA in this case to invoke the governmental privilege against the disclosure of state secrets."

The appeals court, however, vacated the judgment to allow the lower court to conduct an inquiry into the identity of the official within the CIA who allegedly told Raus to make the espionage charge against Heine.

Heine contended that the statements by Raus were extremely damaging to his career, and said the governmental secrecy defense left him with no opportunity to prove his case.

The appeals court had this to say about the case at hand and its broader implications:

"In such circumstances, is the CIA to seek an indictment on charges it cannot prove if the sources of its information are its own secret agents in the Soviet Republic?"

"Is it to sit idly by, suffering a pollution of the reliability of its sources of foreign intelligence and the intimidation, arrest and persecution of its foreign agents?"

"Or can it protect its sources of information . . . by warning its own sources that (a person) . . . is, or may be, a Soviet agent."

"In a sensitive area touching national defense, the latter choice seems the one designated by the national interest notwithstanding the devastating impact of the warning upon one thus accused of espionage."

In sending the case back to the district court for further inquiry, the appeals court said "disclosure of the individual who dealt with Raus is not required" but directed the lower court to determine whether the alleged order came from an official with proper authority.

The appeals court said that if a summary judgment in favor of Raus seemed appropriate after the "limited inquiry," it directed the possibility of a trial at which "secrets the government is entitled to preserve" would be avoided.

Monday's majority opinion was written by Chief Judge Clement F. Haynsworth Jr., who was joined by Judge Herbert S. Boreman.

Issuing a partial dissent was

the third member of the panel, Judge J. Braxton Craven Jr.

Judge Craven said at one point he thought it was "error to accept general assumptions as a basis for summary judgment when the opposing party is without access to the information normally available" to test the applicability of "state secret privileges."

## Inquiry

## Judge Hits CIA Policy On Suspects

RICHMOND (UPI) — The Chief of the U.S. 4th Circuit Court of Appeals said Wednesday the Central Intelligence Agency may be resorting to slander to discredit persons it suspects of being communist agents.

Judge Clement F. Haynsworth criticized the CIA's methods in hearing an appeal from a naturalized Canadian who won praise as a Guerilla fighter against Russia in World War II.

THE MAN, Erik Heine, 47, led freedom fighters in the captive Baltic States of Estonia. The CIA now brands him a Soviet KGB agent and says he penetrated Estonian immigrant groups in Canada and the United States.

Heine, of the Montreal suburb of Roxdale, asked the court to force open CIA files and make the agency prove that his accuser, a Hyattsville, Md., man works for the super-secret agency and is immune from prosecution for slander in a \$110,000 suit.

His accuser is Jurj Raus, publicly an engineer for the U. S. Bureau of Roads, privately on the CIA payroll, the agency said, to glean information from Estonian immigrants. Raus also was a guerilla fighter against Russia when the Baltic states were seized.

CIA Director Richard Helms, in Federal District Court in Baltimore, Md., defended Raus, he was on the Agency's payroll when he called Heine a KGB agent.

SINCE THE lower court hearing, however, the CIA has dropped out of the case, at least in public.

Judge Haynsworth said the agency's policy appeared to show an extraordinary instance of the exercise of governmental authority.

He said it appeared that top CIA officials could order agents to "go out and slander an individual."

Haynsworth also asked attorneys for Raus why, if the CIA is vitally concerned with national security aspects of the case, did it ever get involved in the first place instead of "leaving the defendant to fend for himself."

Raus' attorney said the CIA

had to defend its agent as a matter of principle to avoid paying slander damages to a person it believes is an enemy agent.

RAUS INVOKED the cloak of national security in his defense and said if the CIA had to explain how he worked for them or to submit detailed proof of employment then national security would be damaged.

Attorneys for Heine, who believed they have a landmark case, argued that if Raus can commit the slander they claimed, then the CIA would have "Carte Blanche" to hurl accusations against any citizen.

They said a "more penetrating inquiry" by the courts might show Raus in fact is no more an employe of the CIA "than the rank and file of the Retail Clerks International Association."

If Raus and the CIA win, the Heine lawyers said, "a travel agency, the National Student Association, the Ancient Order of Hibernians, the American Express Company or the Trapp Family Singers" could slander at will.

Raus was charged with calling Heine a KGB agent during speeches to Estonian groups in New York during November, 1963, and in Maryland during 1964.

The court's decision was expected in two to three months.

BALTIMORE SUN

JUN 1 1967

## Alleged CIA Methods Irk U.S. Judge In Raus Case

Richmond, May 31 (AP)—A Federal judge today criticized what were described as Central Intelligence Agency procedures in the case of a man who contends he was falsely accused of being a Soviet agent.

Chief Judge Clement F. Haynsworth, Jr., of the Fourth Circuit Court of Appeals said circumstances in the case represented "an extraordinary instance of the exercise of governmental authority."

### Upheld In Baltimore

His comments came as the court heard an appeal from Eerik Heine, a Canadian of Estonian background, who has charged Juri Raus, a self-described CIA agent, with slander in describing him as an "instrument of Soviet intelligence."

Mr. Raus's argument that he

should be given the "absolute privilege" afforded governmental employees in the performance of their duties was upheld by Federal District Court in Baltimore.

An attorney for Mr. Heine pictured this as a "Nuremburg defense" of the type used by persons accused of Nazi war crimes in which they maintained they were only following orders.

Mr. Raus had contended he was acting under orders to warn "members of Estonian emigre groups, who were sources of foreign intelligence for

the agency" of Heine's alleged status as a Soviet agent.

Judge Haynsworth said this seemed to be a situation in which highly placed officials instructed subordinates to "go out and slander an individual."

He asked why the CIA, if it were vitally interested in national security, did not "leave the defendant to fend for himself."

An attorney for Mr. Raus said this would have left the CIA with the prospect of paying a "money judgment" to a person it believed was an enemy agent.

Mr. Haynsworth said this at least would "give the plaintiff a chance to vindicate himself, which he doesn't have now."

Mr. Raus's lawyer said the case represented a "real dilemma" in that a full trial would allow intelligence secrets to be exposed in the courts.

Mr. Heine's lawyer, however, said his client has a right to a full and complete trial in order to clear himself.

The appellate court routinely Mr. Heine filed a \$110,000 slander suit against Mr. Raus in 1964. He sought \$10,000 in compensatory damages and \$100,000 in punitive damages.

WASHINGTON STAR

JUN 1 1967

## Heine Case Appeal Judge Assails CIA

RICHMOND, Va. (UPI)—The chief judge of the U.S. 4th Circuit Court of Appeals says the Central Intelligence Agency may be ordering its agents "to go out and slander" suspected subversives.

Judge Clement F. Haynsworth yesterday criticized the CIA's methods in hearing an appeal from a naturalized Canadian who was a guerrilla fighter against Russians in the Baltic Sea province of Estonia.

Erik Heine, of the Montreal suburb of Roxdale, asked the court to force open CIA files to prove a Maryland man who called Heine a Russian spy actually is a CIA agent and immune to prosecution.

The CIA has branded the 47-year-old Heine as a KGB agent working for the Soviet Union among Estonian immigrants to Canada and the United States.

Heine sought \$110,000 in slander damages against the Hyattsville, Md., man, Juri Raus, who publicly works as an engineer for the U.S. Bureau of Roads. Raus, also an Estonian freedom fighter in World War II, has become a naturalized U.S. citizen. The CIA said he worked for the agency.

Haynsworth said the case appeared to show "an extraordinary instance of the exercise of governmental authority." He said it appeared that top CIA officials ordered subordinates to "go out and slander an individual."

A decision in the appeal may be given in two to three months.



Heine - Raus

dm 67

## Court Ponders CIA 'Slander' Role

RICHMOND, Va., May 31 (AP)—A Federal judge today explored the role of the Central Intelligence Agency in blocking a trial in the case of a man who contends he was falsely accused of being a Soviet agent.

Chief Judge Clement F. Haynsworth Jr. of the Fourth U. S. Circuit Court of Appeals said circumstances in the case represented "an extraordinary instance of the exercise of governmental authority."

His comments came as the court heard an appeal from Eerik Heine, a Canadian of Es-

tonian background, who has charged Juri Raus, self-described CIA agent, with slander in describing him as an "instrument of Soviet intelligence."

Raus' argument that he should be given the "absolute privilege" afforded governmental employes in the performance of their duties was upheld by a lower court in Baltimore.

Raus had contended he was acting under orders to warn "members of Estonian emigre groups, who were sources of foreign intelligence for the

agency (CIA)" of Heine's alleged status as a Soviet agent.

Haynsworth said this seemed to be a situation in which highly placed officials instructed subordinates to "go out and slander an individual."

He asked why the CIA, if it were vitally interested in national security, did not "leave the defendant to fend for himself."

An attorney for Raus said this would have left the CIA with the prospect of paying a "money judgment" to a person it believed was an enemy agent.

RICHMOND, VIRGINIA

NEWS LEADER

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MAY 27 1967

## CIA Case Set

# Federal Appeals Court to Convene

The 4th U. S. Circuit Court of Appeals convenes in Richmond Monday for a week-long session that will include arguments on topics ranging from a slander suit involving the Central Intelligence Agency to a fatal accident in a Hopewell boat race.

Also among some 30 cases to be considered by the court is a challenge to a National Labor Relations Board ruling that found a Virginia company guilty of unfair labor practices.

Hearing arguments on the wide variety of legal issues will be two three-judge panels. None of the cases involves a hearing before the full six-judge appeals court.

### ACTION AGAINST AGENT

One of the more unusual cases centers on a suit by Eerik Heine, a Canadian of Estonian background, against Juri Raus, described as an agent of the Central Intelligence Agency.

Heine contended that statements by Raus identifying him as a Soviet agent brought him into "general scandal and disgrace" and damaged his "good name and reputation."

Raus, in his response, claimed the "absolute privilege which the law affords to governmental employes sued for alleged defamatory remarks made in the performance of their governmental duties."

"The plaintiff," Heine's brief said, "in no way attacks the doctrine permitting valid national security matters from being cloaked from the view of litigants who must consequently suffer from the inability to establish the true facts."

"However, this cloak covers

with darkness all of the facts in the case regardless of which party is affected adversely.

"The defendant was engaged by the Central Intelligence Agency," Raus' brief said, "to warn members of Estonian emigre groups, who were sources of foreign intelligence for the agency . . . the Eerik Heine . . . was an instrument of Soviet intelligence. . . ."

Heine contended, in challenging a lower court ruling, that "the defendant could neither establish the truth of his allegations . . . nor his own alleged employment and scope of employment with the CIA."

Another case involves a suit against the Hopewell Yacht Club and other defendants as the result of the death of a racing boat driver who was killed when his craft was struck from behind by another boat.

Attorneys for the widow of Homer I. Bland, in seeking the reversal of a ruling by the U.S. District Court in Richmond, contended that Bland's death was the result of a lack of traffic control.

In its ruling, the lower court found that "there was no primary negligence on the part of any of the defendants" and said that Bland's negligence was the cause of the accident that occurred during the 1965 running of the Gold Cup Regatta.

A third case centers on a finding by the National Labor Relations Board that the Electro-Plastics Corp., a Virginia corporation, engaged in unfair labor practices.

The finding, which is being challenged by the Pulaski-based firm, said the company threatened its employes with reprisals for their refusal to participate in anti-union activity.

A-16  
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THE EVENING STAR  
Washington, D. C., Monday, May 8, 1967

# Estonian Emigre Heine Jailed in Expo Protest

By ORR KELLY  
Star Staff Writer

Eerik Heine, who has been accused by a Central Intelligence Agency employe of being a Soviet intelligence operative, was scheduled to appear in court in Montreal today, charged with pouring paint on a sculpture at the Soviet pavilion at Expo 67.

Heine, who has maintained that he is a strongly anti-Communist Estonian patriot, is accused of pouring red paint over the sculpture Saturday afternoon to protest celebration of Estonian independence day at the world fair.

Montreal police, who have been concerned about political demonstrations, especially by anti-Castro Cubans, kept Heine in jail over the weekend.

### Says Someone Had To

His attorney, Jean Salois of Montreal, said this morning that he tried yesterday to get Heine out of jail on bail, but was unable to learn the technical charge that had been leveled against him.

Heine's wife, speaking by telephone from the family home in Rexdale, a suburb of Toronto, said her husband left Friday evening for Montreal, telling her that someone had to protest the celebration at Expo 67 and the visit of a high-ranking Soviet Estonian official.

"I thought he was just going to walk around with a sign," she said. "I didn't know about the paint until he called me from jail Saturday night."

### In Limelight Through Suit

Heine came to public attention in this country after he filed a \$110,000 slander suit against Juri Raus of Hyattsville. He said Raus, who also has been active in Estonian emigre affairs, had told other Estonians in this country that Heine was a Communist agent and worked for KGB, the Soviet secret police.

In the first phase of the case, a federal district judge in Baltimore ruled that Raus was protected against a suit for slander because he was acting within the course of his employment

by the government. Officials of the CIA submitted several affidavits to the court in which they said Raus had been instructed to warn fellow Estonians about Heine.

The case is now on appeal to the 4th Circuit Court of Appeals in Richmond.

### Trees Govern L

RIYADH—Saudi farmers who have shown interest in growing trees have been told the planting of 15 trees is a prerequisite for obtaining a loan to buy pumps.

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## Soviet display paint-smearred; ex-prisoner held

MONTREAL (CP) — A Toronto man was being detained by police yesterday after a monument in front of the Soviet pavilion at Expo 67 was smeared with paint.

Montreal police said the 47-year-old man, taken into custody minutes after the incident Saturday, was to remain in detention pending a decision by Soviet authorities about whether they should make a complaint against him.

The making of such a complaint was up to these officials, a police spokesman said. Their decision was not expected until today.

In the Saturday incident, a man was seen painting the monument, and ended up by pitching what paint he had left over the structure. Most of the paint was cleaned off by authorities later.

The man who did the painting was quoted by Expo authorities as saying he once was a prisoner in the Soviet Union.

As the paint was being splashed on, the Soviets inside the huge slope-roofed pavilion were staging events in honor of one of their country's member republics, Estonia.

The monument is designed as a salute to Soviet society and ideals.

*Pages 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100*

Heine Files Appeal

**Man Called Soviet Spy Sues to Open CIA Files**

RICHMOND (UPI) — The Central Intelligence Agency may have to open its files for the first time if a challenge to the Agency's shroud of secrecy made by a famous Estonian guerilla fighter succeeds.

Erik Heine, branded as a Russian KGB agent by a man the CIA says works for them, filed suit in the U. S. 4th Circuit Court of Appeals Monday in an appeal of \$110,000 slander case.

The 47-year-old Heine, making this first test of the CIA's right to absolute secrecy, is a naturalized Canadian living with his wife in the Toronto suburb of Roxdale, Ont.

**CAPTURED** in the Russian seizure of Estonia in World War II, Heine became a legend in the Baltic Sea states for withstanding brutal torture in a Russian labor camp and joining guerilla fighters after his escape.

In a twist to the case, Heine's lawyers say the CIA may think Heine is not the man he claims to be.

Briefs filed for Heine demand-

ed the court order the CIA and director Richard Helms to open their files and prove the man who called him a Russian spy actually works for the CIA.

The man, Juri Raus, another Estonian, now a naturalized U.S. citizen, invoked the slander trial before a Baltimore Federal District Court.

Publicly, Raus said, he is a highway research engineer for the U. S. Bureau of Public Roads and living in Hyattsville, Md.

**PRIVATELY**, he and the CIA said, Raus works for the intelligence agency.

Heine's lawyers said the crux of their case is that if Raus is a CIA man, then before he can be given immunity the CIA must at least prove that he is.

But to do that much, the CIA said in District Court, would be to open too many doors and expose too much of the CIA's intelligence - gathering methods among Estonians and other immigrants.

Heine, whose father gained

fame in Europe as a piano maker is noted in Estonian immigrant circles for his rigidly anti-Russian and anti-communist lectures.

Since the case began, the former guerilla fighter's reputation has become clouded and his income has dropped.

**APPARENTLY**, Heine came under CIA suspicion through similarities between him and another Estonian, Arthur Hayman, since deported as a Russian agent.

Hayman advocated using air balloons filled with anti-Communist leaflets to drop over Estonia. Heine, claiming he knew nothing about Hayman or his proposal, advocated the idea himself.

The CIA's Raus admitted calling Heine a Soviet agent. But that was all Raus would say, under orders from the CIA when the case broke.

Heine's appeal said a "more penetrating inquiry" into whether or not Raus is a CIA agent may show he was no more a CIA man than the average member of the National Student Association, a group publicly linked with CIA financial support.

Heine accused Raus of making the charges because he is "a jealous opportunist delighted to grasp a hint of caution from the CIA, inflate it with the hot breath of his own ambition, and thereafter proclaim to the world that Erik Heine was a communist."

**THE APPEAL** said if the CIA merely has to say someone works, for it for it to be accepted as courtroom proof, then scores of persons would "carry a CIA Carte Blanche slander card to hurl accusations against any citizen."

The appeal said the CIA could claim merely as one of its members, from "a travel agency, the National Student Association, an international labor movement, the Ancient Order of Hibernians, the American Express Company, the Alliance for Progress of the Trapp Family Singers."

Such CIA protection would give persons blanket protection to slander at will, the appeal said.

The case was expected to be heard during the court's June term.

MAR 23 1967

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# Heine Hits CIA in Slander Case Plea

By ORR KELLY  
Star Staff Writer

The Central Intelligence Agency has been accused of using "expediency rather than security" as a guide to how much it revealed to a federal court in a slander case involving two Estonian emigrants.

The accusation was made in a brief filed with the U.S. Court of Appeals in Richmond yesterday by attorneys for Erik of Rexdale, Ont.

Heine filed a \$110,000 slander suit in November 1964 against Juri Raus, an engineer for the Bureau of Public Roads and a resident of Hyattsville. He said

Raus had accused him of being a Soviet agent.

The CIA later admitted, in a series of affidavits filed with a federal court in Baltimore, that it had instructed Raus to warn fellow members of the Estonian community that Heine was a "dispatched Soviet operative, a KGB agent."

On Dec. 8, 1966, Federal District Judge Roszel C. Thomsen granted Raus a summary judgment based on his claim that he was immune from a slander suit because he was acting as an agent of the U.S. government when he made the accusation against Heine.

In their appeal brief, Heine's lawyers, Ernest C. Raskauskas and Robert J. Stanford, argued that the CIA had said it could supply no further information and then, under urging from the court, told a little bit more about its relations with Raus.

"It would appear that expediency rather than security was the guide in determining how much Richard Helms (now director of Central Intelligence) would disclose in the affidavits filed in support of the motion," the brief said.

The brief also challenges the right of the CIA to involve itself in the activities of groups in this country.

In his affidavits, Helms said the CIA had the right to protect its sources of foreign intelligence. Heine's lawyers argue that this right is restricted to the control of unauthorized disclosure from within the intelligence community.

"Under the contorted con-

struction of the statute and regulation... any source, deemed to be a source of foreign intelligence by the CIA, such as a travel agency, the National Student Association, an international labor movement, the Ancient Order of Hibernians, the American Express Co., the Alliance for Progress or the Trapp Family Singers, could be declared a source of foreign intelligence which must be sequestered and protected from contamination or infiltration by an alleged Communist or Communist sympathizer," the brief said.

Raskauskas and Stanford argued that Judge Thomsen had erred in a variety of ways in not permitting cross-examination of Raus, in not requiring more information from the CIA and in not permitting a trial on the merits of the case. They asked the appeals court to send the case back to the district court "for a full trial on the merits."

MAR 28 1967

## Heine Appeals His Suit Against CIA

Erik Heine, 47, a former Estonian guerilla fighter who is now a Canadian citizen, again has taken on the CIA in his appeal of a \$110,000 slander case dismissed by a District Court in Baltimore. His reputation and income have suffered, he claimed, since a CIA agent called him a Russian agent.

Mr. Heine, now appealing the Baltimore decision in U.S. Fourth District Court of Appeals in Richmond, insists that the CIA should be required to prove that the man who branded him, Juri Raus, is one of their men.

The CIA testified, however, that to prove Mr. Raus is their agent would open too many doors and expose too much of the CIA's intelligence-gathering methods with Estonian and other immigrant sources. Mr. Raus is also a former Estonian guerilla fighter.

RJB  
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RAUS CASE

## Court Asked to Order Proof of Raus's CIA Link

RICHMOND, Va., March 27 (UPI)—A naturalized Canadian who has been doing battle with the Central Intelligence Agency today asked the U.S. Fourth Circuit Court of Appeals to order the CIA to open its secret files.

Eerik Heine of Roxdale, Ont., filed a brief with the Court against CIA Director Richard Helms and the Agency, seeking to force the CIA to prove its claim that a Maryland man who called Heine a Communist and Russian spy is in fact a CIA agent.

Today's action stemmed from a \$110,000 slander suit

Heine filed against Juri Raus an Estonian who became a U.S. citizen. Heine charged Raus told members of the Estonian colony in New York that Heine was a Russian agent.

Raus, of Hyattsville, Md., won dismissal of the slander suit in U.S. District Court at Baltimore after presenting affidavits from Helms indicating Raus was a CIA agent.

Heine's lawyers demanded today that the CIA must at least prove Raus is an agent before he can be given immunity from lawsuits.

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of all decisions made by the United States. This is not patriotism. It can be, instead, the road to national disintegration. . . . Critical thinkers and thinking critics constitute the lifeblood of any society."

The President, of course, has the right to disagree with his critics and seek to prove them wrong if he can. But when he holds up honest critics to public scorn and hatred, he demeans himself and his high office and undermines the Constitutional guarantee of free speech. He would serve his country and himself better if he would read and take to heart the splendid words of Cardinal Cushing.

### Battle Cry

Cardinal Spellman's recent declaration that anything less than victory in Vietnam would be inconceivable had the ring of Barry Goldwater and Richard Nixon, and was in dreary contrast to the many efforts of Pope Paul VI urging a negotiated peace.

Enough has been written about the Cardinal's trumpet call to make extended comment here superfluous. However, we would like to note that the Cardinal has been fond of saying, "My country, right or wrong," a militant pronouncement which years ago another noted Catholic, G. K. Chesterton, put in proper perspective.

"My country, right or wrong," Chesterton wrote, "is a thing that no patriot would think of saying except in a desperate case. It is like saying, 'My mother, drunk or sober.'"

### The Committed Churches

One of the most hopeful developments of the 1960s has been the growing involvement of religious leaders—Catholic, Protestant, and Jewish—in actions which breathe new life into the concept of brotherhood. Clergymen of all faiths have gone South to advance civil rights, to their city halls and state capitols to plead for open housing legislation, and to Congress with appeals for passage of programs to combat racial discrimination and poverty.

This growing social concern of the churches was demonstrated most recently by the Presbytery and the Catholic archdiocese of Chicago. The Presbytery, governing body for some 90,000 church members in that area, announced a program to help carry out the terms of the open housing agreement reached last year by city leaders and the Reverend Martin Luther King, Jr.

At the same time, Archbishop John P. Cody called upon the two million Roman Catholics in 459 Chicago area parishes to take part in study and action programs designed to improve education, housing, and employment opportunities for Negroes. The parishes were asked to work with Protestant and Jewish congregations in these fields of concern.

Each parish is expected to set up a layman's committee. For the first four months, Catholic pastors and laymen are to study racial problems in housing, education, and employment. Then the "action" phase begins. The committees are expected to visit all realtors in their areas to discuss open occupancy, visit lending institutions to urge non-discriminatory lending policies, meet with school and PTA officials, meet with neighborhoods to "discuss the achievement of quality integrated education," and talk with officers of business firms about the need for fair employment practices.

"As long as any of our brothers and sisters in Christ suffer injustice and indignity in our midst," Archbishop Cody wrote in his letter to all parishes, "we are involved, and we must become involved."

Albert A. Raby, who is co-leader, with Dr. King, of the Chicago Freedom Movement, said, "We are overwhelmed by the comprehensive nature of the Archbishop's program." He expressed himself as "equally pleased" with the action of the Presbyterian church. "Had such a dialogue begun ten years ago," he said, "we might easily have avoided many of the serious problems of the last few years."

An encouraging development on a smaller scale was the appointment by Bishop Fulton J. Sheen of Rochester, New York, of a young priest to be his special vicar to work on problems of housing, education, social justice, and equality. The bishop named the Rev-

erend P. David Finks, a priest in a predominantly Negro ward who was on the advisory council of a militant Negro group. "The church," said the Catholic bishop, "must be where problems are, where hunger is, where rooms are cold and where difficult decisions have to be made." In what might be viewed as a rebuke to those laymen and a dwindling number of clergymen who hold that churches are for "preaching only," the Bishop said, "Stained glass windows are apt to becloud our vision of poverty and distress."

This new surge of church leadership supporting actions against racial discrimination and poverty holds out the hope that these ancient evils may yet be dealt with decisively in the United States in our time.

### Privileged Sanctuary

Once again the Central Intelligence Agency has demonstrated that it is a privileged sanctuary above and beyond the reach of the laws that govern the rest of us.

This time the case involved an Estonian emigre who was persuaded by the CIA, for reasons best known to itself, to ruin the reputation of a fellow emigre by accusing him of being a Communist and an agent for the Soviets. The plot succeeded, and the victim brought a slander suit against his accuser.

The CIA refused to allow its paid accuser to testify on the ground that this would imperil the national security. Now a Federal judge has upheld the agency's decision and has thus denied the hapless victim his day in court.

It strikes us that the national security is in greater danger from the CIA's subversion of elementary Constitutional rights than from any revelations that an obscure Estonian emigre would be likely to make in court. Of even greater concern to us is the Federal judge's ruling upholding the CIA. Both the CIA and the court, by arbitrarily denying simple justice to an individual, have denigrated the democratic process.

*File  
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*RJB*

Front Page    Edit Page    Other Page

FORT WAYNE, IND.  
NEWS-SENTINEL

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GUEST EDITORIAL

# CIA's Blank Check for Slander

(The Dayton Daily News)

The best thing that can be said of Judge Roszel C. Thomsen's ruling in Baltimore's CIA slander case is that it probably will be appealed. If allowed to stand, the decision by the federal court judge would permit the Central Intelligence agency to slander and libel freely without having to answer for or justify its acts.

The judge ruled that Juri Raus, whom the CIA acknowledges as its own man, needn't testify in the \$200,000 damage suit filed against him by Eerick Heine. The CIA told the court Raus was acting under orders when he called Heine an agent of the Soviet secret police during a New York meeting of the Legion of Estonian Liberation.

Judge Thomsen said that for Raus to testify might breach his oath of secrecy and that the CIA has a right to protect its foreign intelligence sources in the United States.

Maybe, but only up to a point. Wouldn't

the ruling, for instance, allow the CIA to tamper with U. S. elections by assigning agents to slander candidates the agency didn't like? There is no indication of course, that the CIA plans any such sport, but clearly the opportunity must be hedged against, if not to protect Americans from any conscious plotting, then to shield them from zealotry no matter how high-minded the zeal might be.

If higher courts find, as Judge Thomsen has, that Congress granted the CIA power to protect its activities from all judicial inquiry — and denied redress to all CIA victims — then Congress will have to amend the law.

Meantime, shouldn't Congress be looking into another angle of the case? The 1946 law that created the CIA specifically barred the agency from internal security functions. Isn't there cause to wonder whether, by ordering slander at a meeting in New York, the CIA was operating where it has no business?

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### The CIA Case

A slander suit was thrown out of Federal court here last week under unusual circumstances. The man bringing the suit, Eerik Heine, had been called a Soviet agent. The man who made that accusation, Juri Raus, said he could not testify as to the truth or falsity of it because he was employed by the Central Intelligence Agency, and the CIA wouldn't let him talk. The CIA said it provided the information for the accusation, but would not reveal what it was. This silence was said to be necessary to protect the agency's sources. The law, the CIA claimed and Judge Roszel Thomsen agreed, allowed this silence.

So whether Heine is a spy, whether the accusation damaged him, whether there are grounds for the CIA to suspect him, even whether Raus is a CIA agent—all these things remain untested in court. It is a queasy business, whatever the law and whatever the facts.

No one really suspects the CIA would deliberately slander a man for political purposes, but it might. Suppose a President of the United States felt it was in the national interest to discredit a critic of some policy. A charge by an intelligence expert that the critic was a Communist would do that effectively, and the truth of the charge could never be tested. Neither could the motive or the true source be discovered. That's far-fetched. This isn't: suppose the CIA is simply mistaken. Like any bureaucracy, it can err. A reputation ruined by a clerical mistake is just as ruined as one ruined by black intrigue.

If the law must remain as it is, an extra responsibility falls on the congressional overseers of the CIA. They must protect individuals from what is now an agency that is above all law. Their investigation of cases like this one would be no real substitute for conventional judicial procedures, but it now appears that that is the only substitute available.

# U.S. court dismisses Heine slander suit

WASHINGTON (CP) — A U.S. federal judge yesterday dismissed the \$110,000 slander suit filed by naturalized Canadian Erik Heine against a self-acknowledged agent of the Central Intelligence Agency.

Judge Roszel Thomson, in a written opinion filed at Baltimore, said a "trial would not resolve the question of the truth or falsity of the charge because the court would still be required to recognize the privilege asserted by the United States."

The defendant was Juri Raus, a naturalized American who, like Mr. Heine, was born in Estonia and is active in Estonian emigre groups. He admitted in court having called Mr. Heine an active Soviet agent but claimed immunity from the slander action because of his CIA role. The CIA and the United States through the Justice Department had backed him solidly.

The judge's opinion yesterday granted their application for dismissing the suit.

Counsel for Mr. Heine, a

resident of Toronto, said immediately he will appeal to the U.S. Fourth Circuit Court of Appeals, sitting at Richmond, Va., and to the Supreme Court if necessary.

Mr. Heine, 46, charged Mr. Raus, 20, with slander in November, 1964, a year after Mr. Raus — on his subsequent testimony — told some members of a New York emigre meeting that Mr. Heine was a dispatched Soviet agent.

Mr. Heine had become a Canadian citizen in 1964. He says he is a hard-line opponent of communism from his Second World War days.

At the legal proceedings in Baltimore earlier this year, testimony by Mr. Raus was sharply limited on all aspects of his CIA career. The CIA is the global U.S. spy apparatus.

Judge Thomson upheld repeated objections by U.S. and CIA lawyers that more detailed answers would endanger U.S. security.

The CIA argued that permitting the case to proceed at all could serve as an open invitation for law suits to be brought against CIA agents doing their work around the world.

Judge Thomson's judgment cited two Supreme Court decisions as his basis. But he conceded the difficulties imposed on Mr. Heine in seeking to press his case.

"It cannot be denied that the combination of (1) privilege against defamation asserted by the defense and (2) privilege against the discovery of secrets of the CIA... places the plaintiff (Heine) in a very difficult position," he wrote.

But that did not change the validity of his reasoning in the matter, the judge said.

*Mark Heine from page 10/17/68 - Toronto*

*RTK*

*True Summary*

A U.S. federal judge has dismissed the \$110,000 slander suit filed by Erik Heine, a naturalized Canadian, against Juri Raus, a self-acknowledged agent of the Central Intelligence Agency. Raus admitted in court having called Heine an active Soviet agent but claimed immunity from the slander action because of his CIA role. The CIA and the Justice Department had backed him solidly. Both men are active in emigre groups.

**Bruce West has the flu**



Slander case in U.S.

# Heine lawyer lists appeal points

WASHINGTON (CP) — Erik Heine of Toronto will meet his lawyer in New York this weekend to shape an appeal against dismissal of a \$110,000 slander suit he launched against an agent of the U.S. Central Intelligence Agency.

His lawyer said here yesterday the appeal may be launched next Monday.

District Judge Roszel Thomsen of Baltimore dismissed Mr. Heine's suit against Juri Raus, an acknowledged agent of the CIA last Thursday.

Mr. Heine had sued Mr. Raus on the grounds that Mr. Raus told some members of the North American Estonian community in a New York meeting in 1963 that Mr. Heine was a Soviet Agent.

Mr. Heine and Mr. Raus are both Estonian-born and active in the affairs of the em-

igrant community. Mr. Raus, the CIA and the U.S. Justice Department successfully argued that Mr. Raus' role as CIA agent made him immune to the slander action — that he had called Mr. Heine a Communist agent on CIA orders.

Ernest Raskauskas, one of Mr. Heine's lawyers, said Monday that several main points are likely material for the appeal to be made to the Court of Appeals at Richmond, Va. Mr. Heine's lawyers have said they will go to the Supreme Court if necessary.

One point, Mr. Raskauskas said is a misinterpretation by

Judge Thomsen on the U.S. Code regarding secrecy, especially the conclusion it can justify slander.

Another was that it remains to be established just to what extent Mr. Raus is or was a CIA employee. His official job is with the U.S. Bureau of Highways next door to CIA headquarters.

Mr. Raskauskas said "great many" witnesses will be called if and when the case goes to trial.

He indicated there could include two West German relatives quoted Sunday by the Washington Star as former close friends of Mr. Heine who say he could never have been

a Communist agent. Each claims to have known him in Soviet prison camps. He came to Canada in 1958 and became a naturalized Canadian last year.

One man is identified by the Star as Otto Knapfel, 61, of Lembo Lappe who says he was with Mr. Heine from 1951 to 1964.

"I consider it impossible that Erik Heine would have lowered himself to work as an agent or spy. . . I know him too well to believe that of him."

Karl Brett, 42, a Munich sculptor, claims he knew Mr. Heine as an Estonian school-boy and again in a Soviet prison camp and "I think it is impossible that Mr. Heine ever was a Russian or Soviet agent or informer. . . He showed in captivity his strong characteristics and unchangeable attitude."

The Star says the Heine-Raus case has split the North American Estonian community right down the middle.

*Toronto Globe Mail 13 Dec 66*

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### The CIA Case

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RJB  
17

# Castro Hints Of '62 Secret U.S. Terms

By Nicholas Daniloff  
United Press International

Cuban Premier Fidel Castro claimed in a report published yesterday that the United States made several secret concessions to solve the Cuban missile crisis in the fall of 1962.

However, in a wide-ranging interview with Playboy magazine, he declined to discuss them. He said that perhaps one day they would be made public.

The State Department had no immediate comment on Castro's disclosure.

In the 20-page verbatim transcript, the voluble Cuban also:

- \* Asserted that his former Peking-oriented Finance Minister Ernesto (Che) Guevara was still alive at some undisclosed location.
- \* Declared that no ground-to-ground nuclear missiles remain in Cuba "unfortunately"—contrary to unverified reports by Cuban refugee organizations.
- \* Criticized the conduct of former Soviet Premier Nikita

S. Khrushchev in the Cuban crisis, and said that his decision to remove strategic missiles in return for an American non-invasion pledge brought "distrust" into Cuba's relations with Russia.

" Said he would like to retire as Cuban Communist Party leader "in the least amount of time possible" to devote himself to study and the promotion of agriculture. Castro made these statements in a lengthy conversation with American writer Lee Lockwood, whom Playboy had commissioned for the article. The magazine said that the interview, conducted over several days, amounted to nearly 25 hours on tape.

Castro said it was "indisputable" that the U.S.-Soviet agreement that ended the perilous confrontation at the end of 1962 in the Caribbean had been honored.

But he tantalizingly added: " . . . I can say to you that even more agreements exist besides, about which not a word has ever been said.

"However, I don't think this is the occasion to speak about them. I am not writing my memoirs; I am a Prime Minister in active service.

"One day, perhaps, it will be known that the United States made some other concessions in relation to the October crisis besides those that were made public."

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## Castro Says U.S. Made Concessions in '62 Crisis

**But Won't Reveal Assurances  
He Contends He Received**

During the 1962 crisis over Soviet missiles in Cuba, the United States made concessions that have never been made public, Premier Fidel Castro said in an interview published yesterday.

The Cuban leader is quoted in a copyrighted article in Playboy magazine as maintaining that there were agreements about which not a word has ever been said. But he declined to specify what was involved.

"One day, perhaps," he remarked, "it will be known that the United States made some other concessions in relation to the October crisis besides those that were made public."

"It was not an agreement in accordance with protocol," he said. "It was an agreement that took place by letter and through diplomatic contacts."

The only concessions by the United States made known at the time of the crisis were an assurance that the United States would not invade Cuba and the lifting of the naval blockade.

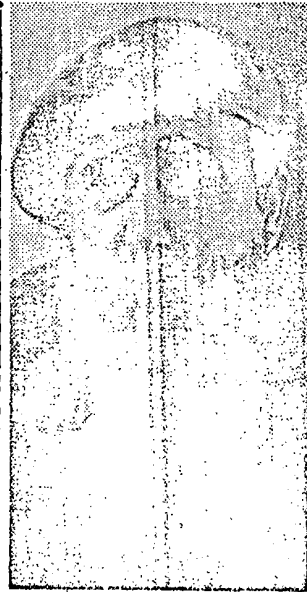
The State Department made no immediate comment on the Castro statement.

Playboy said it was publishing the interview, which covered a wide range of subjects, on the ground that it could "do much to clarify the thoughts and actions at work behind the Cuban curtain."

### Article Part of a Book

The magazine said the interview was conducted at the Premier's home by Lee Lockwood, identified as an author-journalist, who is preparing a book, "Castro's Cuba, Cuba's Fidel," for publication by Macmillan in March.

"Lounging at a card table on



Magnum

Premier Fidel Castro

the veranda in his green fatigues, wearing socks but no boots, his hair matted, and smoking a succession of long Cuban cigars, the Cuban dictator spoke with Lockwood volubly and inexhaustibly—often through the night and into the dawn," Playboy said. "At the end of a week, their conversations (conducted in Spanish) had filled nearly 25 hours of tape."

Asked if he could "state unequivocally" that there were no offensive ground-to-ground nuclear missiles in Cuba now, Premier Castro replied that he had "no objection to declaring that those weapons do not exist in Cuba." He added, "Unfortunately, there are none."

The Cuban Premier assailed the Soviet Union for removing these missiles under United States pressure and noted that

**Playboy Magazine Interview  
Criticizes Soviet on Missiles**

Cuba was left out of the discussions at the time.

Complaining that Premier Khrushchev had acted in a high-handed manner toward Cuba, he said the Khrushchev actions in the missile crisis represented "a serious affront" to Cuba that resulted in a "climate of distrust" between Havana and Moscow.

However, he added, Soviet-Cuban relations have "improved considerably" since the Khrushchev leadership ended.

### Tells of Restraint

Premier Castro observed that his regime had refrained from using Soviet-supplied ground-to-air missiles to shoot down American U-2 reconnaissance planes over Cuba "because we don't want to appear in any way as provocateurs."

"When those projectiles were turned over to Cuba by the U.S.S.R.," he said, "we made a pledge not to use them except in case of strict necessity, for defense of the country in case of aggression."

He voiced the view that the United States might launch a future attack against Cuba.

"We don't expect an invasion at any specific place or date," he went on, "but we are conscious that a very real threat from the United States will always exist. For that reason, we see ourselves required to stay on guard, to devote much of our energy and resources to strengthening our defenses."

The Premier said the Central Intelligence Agency had never ceased hostile activities against Cuba.

RJB  
17With the U. S.

## Castro Claims 'Secret' Deals

CHICAGO, Dec. 12 (UPI) — The U.S. made a secret deal with Cuba and the Soviet Union during the 1962 Cuban missile crisis, according to Cuban Premier Fidel Castro.

Castro told author Lee Lockwood in a copyrighted interview published today in Playboy Magazine that the U.S. pledged it would not invade Cuba and made other agreements still secret.

### CONCESSIONS

"I can say to you that even more agreements exist besides, about which not a word has ever been said. One day, perhaps, it will be known that the U.S. made some other concessions in relation to the October crisis

besides those that were made public."

Castro said the U.S. had made "de facto" recognition of its pledge against invading Cuba, despite Cuba's refusal to allow international inspection to confirm removal of Soviet missiles on the island.

The secret agreement "was not an agreement in accord with protocol," Castro told the interviewer, but were made by letter thru diplomatic channels.

While denying the secret concessions had to do with U2 spy plane flights, Castro said, "I have no objection to declaring that those weapons (surface to surface missiles) do not exist in Cuba. Unfortunately there are none."

The Cuban Premier, who said he might not have been able to win power had he revealed during the revolution that he was a communist, said he had no regrets about accepting the Soviet missiles.

In answering other questions, Castro said he hopes to retire after "a few more years."

Che Guevara, Castro's right-hand man during the revolution who has dropped out of sight, is "alive and well," Castro said, adding Che's whereabouts are kept secret "because it would be unwise, possibly unsafe for him. When he is ready and wants it to be known where he is, we will tell it first to the Cuban people."

BRTB  
JML  
Jey

# Shutoff of Suit Against CIA Agent Veils Status of Heine

By ORR KELLY  
Star Staff Writer

The trial which might have determined whether or not Eerik Heine is "a dispatched Soviet intelligence operative, a KGB agent," has been ruled out for the time being—and perhaps forever—by a federal court judge in Baltimore.

But two men who might well have been called as key witnesses in Heine's behalf have told what they know about Heine in long letters in response to a series of questions from The Star.

On Thursday, Chief Federal District Judge Roszel C. Thomsen summarily dismissed Heine's \$110,000 slander suit against Juri Raus, a fellow Estonian emigrant who is now a Bureau of Public Roads engineer living in Hyattsville.

According to affidavits filed by the Central Intelligence Agency in the case, Raus was a CIA agent and was instructed to warn fellow Estonians that Heine was a Soviet agent.

In his decision, Thomsen ruled that Raus was protected from a slander suit because the statements he made were done as part of his duties for the CIA. A trial, he added, would put Raus in a position where he could not defend himself without violating an oath of secrecy signed in 1963.

### Names 4 Friends

Earlier in the year, when it appeared possible that the case might result in such a ruling, Heine, whose home is in a suburb of Toronto, Canada, was asked for the names of friends who might corroborate his story that he was an Estonian patriot and freedom fighter and that he had always been a staunch anti-Communist.

He supplied the names of three men he said had been close friends when they were in Soviet prison camps during the 1950s and the name of an elderly woman who he said had helped him in the late 1940's when he was living as a freedom fighter in the Estonian forest.

No reply was received from the elderly woman and it has been impossible so far to contact one of the three men.

The other two replied with statements strongly supporting Heine.

Otto Knispel, a 61-year-old cabinet maker now living in Lembo/Lippe, in West Germany, wrote that he had been a close friend of Heine's in Soviet

Prison camps from 1951 until October 1956.

"I consider it impossible," he wrote, "that Eerik Heine would have lowered himself to work as an agent or spy... I know him too well to believe that about him...."

"The prison camps in which we were located were populated almost entirely by political prisoners with sentences up to 25 years. It was only natural that we stood solidly together in groups according to our nationalities and that we protected ourselves against agents, spies and other dubious characters.

### "Out of the Question"

"Accordingly, agents and spies didn't have a chance with us; as soon as anyone was bribed by a Russian political officer, he was immediately uncovered and neutralized.

"I consider it completely out of the question that Eerik Heine changed his political opinions and became a Soviet agent while he was in prison. He was a member of the forced labor brigade in each camp. The Russians assigned to these brigades the prisoners whom they feared. They were prisoners who had once escaped, conspirators, rebels, officers and prisoners with high intelligence.

"They had to work under double guards with bloodhounds. They had to perform the hardest and dirtiest work without any privileges. They were subject to all kinds of dirty tricks.

"Since he was an officer, he always belonged to this forced labor brigade—for five years, as long as I was with him.

"Through this treatment, the Russians wanted to make the prisoners weak and pliable. I am completely convinced that the Russians accomplished just the opposite."

### Similar Account

A similar account was contained in a seven-page typewritten letter from Karl Brett, a 42-year-old sculptor living in Munich, Germany.

Brett, who is three years younger than Heine, knew him when they were schoolboys in Tartu, Estonia, before World War II, and met him again in 1952 in a Soviet prison camp, he wrote.

"I worked together with Mr. Heine in labor groups on railroad track construction," Brett said. "We slept in the same room and ate the same food and I learned to know him well.

"I think it is impossible that Mr. Heine ever was a Russian or Soviet agent or informer or that he could have worked as such.... He showed in captivity his strong characteristics and unchangeable attitude.

"By reason of my personal experience with Mr. Heine in captivity, I think it is impossible that he has changed in Soviet captivity or that he ever could have been a Soviet agent."

One unexplained incident was reported by Brett in his letter.

In August 1965, he said, he was visited by agents of the Bavarian Department of the Interior (a state police agency) and was asked a series of questions concerning his relationship with Heine.

This was more than a year after Raus had made his accusations against Heine and many months after Heine's slander suit against Raus had been filed. But Raus' attorneys, who made an intensive investigation of Heine in the United States and Canada in preparing their defense, said they know of no attempts to gather information about Heine in Europe.

The conflict between Heine and Raus—and the CIA—has

caused a deep and bitter split in the Estonian emigre community in the United States and Canada. It was in hopes that a court trial would establish the truth and thus end the uncertainty on which this bitterness was based, Heine said, that he filed his suit against Raus.

His attorneys are now preparing to appeal Judge Thomsen's ruling to the 4th Circuit Court of Appeals in Richmond and they have said they would fight the case to the Supreme Court.

Even if a higher court should send the case back for a jury trial, however, the full truth may never be known unless the CIA should decide to make public what it knows about the case—information it so far has been at elaborate pains to protect.

# Heine to File Appeal in Slander Suit

By **LYLE DENNISTON**  
Staff Writer

A federal judge's order dismissing a \$110,000 lawsuit against a government secret agent will be appealed to higher courts, attorneys here indicated last night.

Yesterday, Federal Judge Roszel C. Thomsen issued an order—mainly designed to protect government secrets—ending the slander case against a sometime agent of the Central Intelligence Agency.

The agent, Juri Raus, Hyattsville, had been sued two years ago by Eerik Heine of Rexdale, Ontario, Canada.

Heine, a former leader of Estonians who had emigrated to this country from their now-occupied homeland, accused Raus, another former Estonian leader, of calling Heine a Communist and a Soviet agent.

Thomsen's ruling ends the Heine lawsuit unless his attorneys are able to persuade a higher court to reverse the decision.

## Plan to Appeal

Last night, Ernest Raskauskas and Robert Stanford of Washington, Heine's lawyers, said they would promptly file an appeal with the 4th U.S. Court of Appeals in Richmond. The grounds for their appeal will be determined after they studied Thomsen's decision, they said.

They indicated they would go directly to the higher tribunal without first asking Thomsen to reconsider.

Reached by telephone at his Ontario home, Heine said he was "disappointed" in the judge's ruling, but vowed to appeal it. So far, he said, his

case has cost him between \$7,000 and \$8,000.

Thomsen ruled against Heine on all aspects of his lawyers' arguments. In the main, the decision reflected a worry that if the Heine lawsuit were permitted to go to a trial, it might bring out more government secrets than the CIA thinks could be safely revealed.

The case has been heard only by the judge. If he had decided against dismissing it, it would have gone to trial before a jury.

The object of a trial would be to decide if Raus had called Heine a Communist and a Soviet agent, whether such charges are true or false, and whether Raus should be punished if the jury decided in Heine's favor.

## Judge's Ruling

But the judge ruled, "A trial would not resolve the question of the truth or falsity of the charges, because the court would still be required to recognize the privilege asserted by the United States (government)."

The government, through the CIA, had claimed it has a "privilege against disclosing state secrets."

That privilege, Thomsen said, was based on a federal law designed to safeguard government secrets. It was also based on the authority of the CIA and its director to protect "intelligence sources and methods from unauthorized disclosure."

Even while claiming the privilege, the CIA had several times filed affidavits in the Heine case giving data about its relationship with Raus and his role in making accusations against Heine.

The CIA admitted that Raus was an employe of the agency and had been given orders in 1964 to spread the word that Heine was a "dispatched Soviet intelligence operative, a KGB agent." KGB is the Soviet secret policy agency.

Raus' job of discrediting Heine followed Heine's gain of popularity among Estonian emigrants in this country and Canada. Heine had been making a tour to describe to these emigrants his role as a vigorous anti-Soviet "freedom fighter."



EERIK HEINE

With Heine apparently moving toward leadership in the Estonian community, the CIA put Raus to work, according to one of its affidavits, in order to protect "the integrity of the agency's foreign intelligence sources."

## "Valuable Source"

Yesterday, Thomsen found that "emigre groups from nations behind the Iron Curtain would be a valuable source of intelligence information as to what goes on in their old homeland."

He added that "activities by the CIA to protect its foreign intelligence sources located in the United States are within the power granted by Congress to the CIA."

Thomsen said he had examined some secret papers submitted to him by the CIA to help prove that CIA had authority to do what it had done. However, the judge said he had not relied on them in deciding that CIA did have the authority.

After the CIA made its disclosures about Raus' role, it refused pleas by Heine's attorneys that it make more data available on that subject. It said it "would be contrary to the security interests" to say any more.

The federal judge said that "if Raus makes further disclosures without the approval of the agency, he would not only

violate the secrecy agreement (that he made with the CIA in 1963), but might also violate the statute prohibiting unlawful disclosure of confidential information respecting the national defense."

Besides relying on the secret-protecting "privilege" of the CIA, Thomsen also based his decision on a privilege that Raus had claimed.

That was an "absolute privilege" against defamation lawsuits like Heine's. The privilege extends to government officials for acts done in carrying out their official jobs, the judge ruled. This privilege was upheld by the Supreme Court in 1959, he concluded.

## Cites Dilemma

Raus is entitled to the privilege, Thomsen held, because he was "acting within the scope of his employment by an agency of the United States." The judge turned aside several arguments by Heine's lawyers that Raus did not hold the kind of government post that entitles an official to the privilege against slander suits.

Thomsen also held that the CIA did not need to disclose the name of the person who gave Raus the specific orders to discredit Heine.

The judge said that he was faced by a "dilemma," and that this "dilemma" would still be present if the case went to trial.

That dilemma, Thomsen said, was caused by the fact that Raus, under his own promise of secrecy and under the CIA's refusal to let him say more about his role, would be "precluded from testifying to facts and from calling witnesses who might establish the truth of the alleged defamatory remarks."

That being so, the judge said, it was a case of choosing between requiring Raus "to stand weaponless before his adversary," or to deny Heine "the opportunity to attempt to vindicate himself in court."

Since, the judge said, "no way to avoid choosing between two evils has been suggested or discovered," he was forced to choose to deny Heine the chance to press his lawsuit.

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Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2

RTB  
JKY

# SLANDER SUIT AGAINST CIA MAN DROPPED

## U.S. Agency's Silence In Case Thwarts \$110,000 Action

By THEODORE W. HENDRICKS

A Federal judge yesterday threw out a \$110,000 slander suit brought against a CIA operative by an Estonian who argued that the agent had caused him a subversive.

Eerik Heine, 46, who resides in Canada, claimed damages in the case because his reputation as a lecturer on anti-Communist activities had been ruined.

However, the CIA refused to disclose the sources of its information on Mr. Heine except to admit that it had sent the agent to New York to make the statements.

### Impossible To Try Case

Chief Judge Rózsel C. Thomsen noted that the reluctance of the CIA to submit to interrogation in normal court procedures made it impossible to try the case.

"A trial would not resolve the question of the truth or falsity of the charges, because the court would still be required to recognize the privilege asserted by the United States," Judge Thomsen wrote.

The dilemma posed by Judge Thomsen was this:

1. Since the agent, Juri Raus, 38, of Hyattsville, was prevented from testifying, he would stand "weaponless before his adversary" in a court trial.

### Choice Between 2 Evils

2. On the other hand, lack of a trial would deny Mr. Heine the opportunity to attempt to vindicate himself in court.

"No way to avoid choosing between two evils has been suggested or discovered," Judge Thomsen wrote.

A choice in the matter was dictated, Judge Thomsen decided, by Supreme Court decisions which

reinforced a principle first stated by Judge Learned Hand.

Judge Hand pointed out that there was a danger in subjecting public officials to a civil trial for official acts that caused some persons to suffer.

In the case before him, Judge Hand decided that it was "better to leave unredressed wrongs done by dishonest officers than to subject those who try to do their duty to the constant dread of retaliation . . ."

### No Way Of Solving Dilemma

Since there was no way of solving the dilemma in the present case, Judge Thomsen said he would have to rely on "principles so clearly stated" and enter a summary judgment for Mr. Raus.

The slander suit against Mr. Raus was originally brought in Federal Court in November, 1964. At that time, Mr. Heine alleged that he had never been a Communist.

Mr. Heine said that he was a citizen of Canada and had been active in various Estonian emigre groups, lecturing and showing a movie: "Creators of Legend."

He was a prisoner in Russian prison camps and a guerrilla fighter against the Communist takeover of his country, Mr. Heine asserted.

Suit was filed because Mr. Raus, the national commander of the Legion of Estonian Liberation, Inc., on three occasions stated Mr. Heine was a planted subversive agent.

### Admits Furnishing Data

In an answer to the suit, Mr. Raus admitted that on three occasions he had stated the plaintiff was a Soviet agent or collaborator and should not receive Estonian cooperation.

Mr. Raus at first stated only that the information came from an official agency of the United States Government, according to the answer.

However, subsequent court proceedings revealed that Mr. Raus, who worked for the Bureau of Public Roads in Washington, was a CIA agent and had signed a secrecy agreement.

The CIA admitted that it had furnished Mr. Raus with the information and sent him to meeting of key Estonian groups to make the statements complained of in the suit.

Such action was taken, it was asserted, because the CIA was interested in protecting its intelligence sources from infiltration.

The Government spy agency asserted it had an "absolute privi-

lege" to refuse to reveal the source of its information and to prevent Mr. Raus from making any further statements.

### Argument Cited

Ernest C. Raskauskas and Robert J. Stanford, Washington attorneys for Mr. Heine, argued that the CIA was not concerned with internal security as opposed to foreign sources. Official privilege could not be extended to those who have no discretion in carrying out orders, it was contended.

The plaintiff's lawyers also asked to go to trial to test whether Mr. Raus was actually employed by the CIA and contended there was a genuine issue at stake.

### 3 Affidavits Required

Judge Thomsen noted that he had required the CIA to file at least three affidavits in the case but that he was barred on security grounds from requiring full disclosure.

Officials were clearly correct in raising privilege grounds and it was in the scope of the CIA to prevent disclosure, it was decided.

Paul R. Connolly and E. Barrett Prettyman, Jr., were lawyers for Mr. Raus. Thomas J. Kenney, United States attorney, and Lawrence R. Houston represented the CIA.



AP  
CASE DISMISSED—Juri Raus (left), a CIA operative, called Eerik Heine (right) a subversive and was sued for slander, but the case was ended because the CIA refused to talk.



*Heine v Raus*

CLASSIFIED

# The Evening Star

Features—TV-Radio

WASHINGTON, D. C., TUESDAY, OCTOBER 25, 1966

## Freedom Fighter' Erik Heine Sued for Libel in Canada

By ORR KELLY  
Star Staff Writer

Erik Heine, who in a Baltimore lawsuit has accused a Central Intelligence Agency agent of calling him a Communist, has been charged in a Canadian suit with accusing two other men of being soft on communism.

Heine's involvement in the Canadian case was revealed unexpectedly in Toronto Thursday during testimony by the defendant in a libel suit. Yesterday, Justice William Donohue, of the Supreme Court of Ontario, dismissed the jury and ordered a new trial with Heine as one of the defendants.

Heine, a 45-year-old native of Latvia, Estonia, and, according to his own account, an uncompromising Estonian freedom fighter, filed a \$110,000 slander suit in the U.S. District Court in Baltimore nearly two years ago

accusing Yuri Raus, a 39-year-old engineer for the Bureau of Public Roads, of calling him a Communist.

### Acknowledged by CIA

In four affidavits filed in connection with the case, the CIA has acknowledged that Raus was one of its agents and that he had been instructed to warn fellow Estonian emigres that Heine was a "dispatched Soviet intelligence operative, a KGB agent."

In Toronto, where Heine lives, meanwhile, someone distributed leaflets accusing certain members of the Estonian Central Council of being soft on communism because they had not spoken out when a visitor from Soviet Estonia was entertained at a cocktail party in Toronto.

On Dec. 18, 1964, Harry Parkma, a lawyer, and Olev Trass, a professor of chemical engineer-

ing at the University of Toronto, filed a writ of summons against Mart Tarum, a Toronto attorney, accusing him of libel and asking \$50,000 in damages.

On Oct. 17, 1964, during a meeting of Estonian veterans at Estonian Hall on Toronto's Broadview Avenue, they said he distributed the second of four libellous bulletins.

Queen's Counsel Donald Keith, who represents Parkma and Trass, said a diligent but unsuccessful effort was made to find out who had written and distributed the bulletins.

On Oct. 17, the trial of the libel case against Tarum began before Donohue and a jury was chosen.

### Interviews Heine

The next evening, Tarum's lawyer, D. J. Catalano, had an interview in his office with Heine, one of four or five mem-

bers of the large Estonian community he intended to call as witnesses.

"I asked him if he knew who was responsible for the bulletins," Catalano said in a telephone interview. "It's one of those questions you ask but don't really expect an answer for. To my surprise, he said, 'Yes, I am.'"

Thursday, when Tarum took the stand in his own defense, Keith asked if he knew in 1964 who authored the bulletins. The answer was, "No." In 1965? Again, "No." Then he asked, "Do you know now?" It was then that Tarum told about the Tuesday evening session in his lawyer's office.

Keith moved that the jury be dismissed and that Heine be added as a defendant in the case. Reached by phone last night, Keith said he intended to

increase the amount of the suit to \$110,000—the same amount Heine is suing Raus for in Baltimore.

Keith said he felt that, under Canadian law, he has an almost open-and-shut case when the case comes up again in the January assizes. Catalano, who said he will not be representing Heine in the case, feels that a good argument can be made that the criticism in the bulletins falls within the bounds of fair comment concerning the actions of people in semi-public positions.

### "Someone Had To"

Heine, reached by phone at his home in the Toronto suburbs as he arrived from his job at Artistic Woodwork, said he had not yet heard he had been named as a defendant in the case.

"They accused Mr. Tarum and he had nothing to do with it," Heine said. "I said I never called them soft on communism. . . . Someone had to do it." In Heine's case against Raus in Baltimore, both sides are now waiting for Chief Federal District Judge Roszel C. Thompson to rule whether or not Raus is entitled to absolute privilege against a slander suit because he was a government employee when he made his accusations against Heine.

If he rules that the case can go ahead, Heine may find himself in the unusual position of trying to collect in Baltimore from a man who called him a Communist while defending himself in Toronto for having made very similar—although somewhat less pointed—accusations against two other Estonians.



The N.K.V.D. tortured Heine often. Twice he faced death when he stood before a firing squad on the edge of an open grave, waiting for the order to fire.



Heine

Eerik Heine

SECOND OF TWO PARTS

# ONE MAN'S WAR AGAINST COMMUNISM

This is how Eerik Heine tells his story in reply to the American charge that he has served as an agent of the Russians

By Robert McKeown  
Weekend Magazine

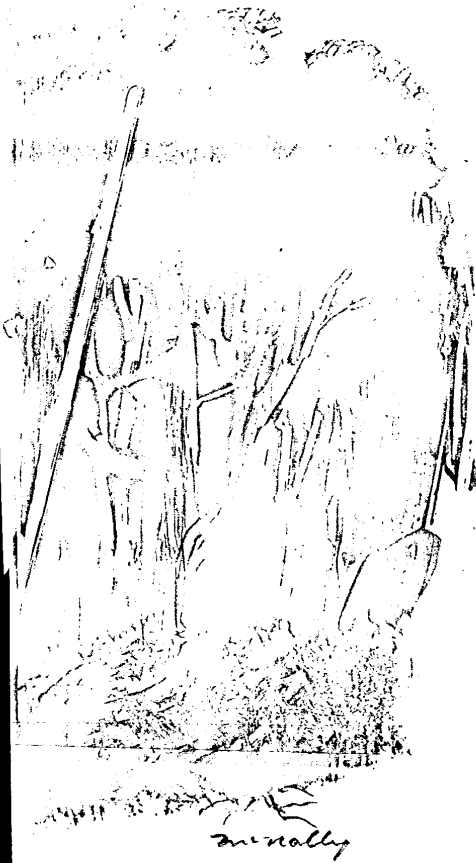
Illustrations by Ed McNally

*Is Eerik Heine a patriot or a Soviet spy? Friends of the Estonian-born Torontonians believe he is a patriot, a man who fought against Soviet rule in his homeland, a man who continued his anti-Communist crusade after he came to Canada. But Juri Raus, an Estonian-American agent of the U.S. Central Intelli-*

*gence Agency, has called Heine a Soviet spy.*

*Heine, to protect his name, has launched a slander suit against the C.I.A. in a U.S. court.*

*Last week the background of the case was given. This week, in the second of two parts, the story of Heine himself is told.*



*But it was only sheer pretence to make him talk.*

EERIK HEINE'S war with the Russians started on a June day in 1940 when Soviet troops invaded Estonia, marched into his home town of Tartu, and ran up the red flag.

Like many Estonians, Heine, who was 20 at the time, was an ardent patriot. At first he led the youth branch of the resistance in Tartu, then travelled throughout the country to organize other groups.

One of his projects was to persuade young people to wear in their lapels the Estonian colors of blue, black and white as a silent protest against the Soviet occupation. Once when he was distributing the ribbons in the street, a pro-Communist official screamed for a policeman to arrest him. The Estonian policeman did — and then released him around the nearest corner.

(The policeman now lives in the United States. He is Valdemar Kunnapu, of Baltimore, Md.)

This was to be the first of a series of clashes with Soviet authorities that was to last for 16 years. The second came a few weeks later at the city hall in Tartu.

For Heine the red flag hanging from the tower in the city hall became a symbol of his country's subjection by the Russians. Together with two of his friends he decided to pull down the flag and restore the Estonian tricolor.

Heine and his friends reached the tower but found it locked. They tried to batter down the door but Communist officials in the city hall fought with them and pulled them away.

Somehow word of what was happening spread to the streets and hundreds of people gathered around the building. Spontaneously the crowd broke into the Estonian national anthem. It sang with such fervor that, as Heine has recalled, "those Communists were struck with terror."

Heine and his friends used this moment to break away and escape, but Eerik was not to be free for

*Continued on next page*



EERIK HEINE

Continued from preceding page

long. While he was in hiding in a town about 20 miles away, word reached him that he had been recognized and that his mother and father were under arrest in their own house. Since they were being held as hostages against his return, Heine returned home and was arrested as he entered the door.

He was handcuffed and taken first to N.K.V.D. (secret police) headquarters and then to the Tartu prison. Over a period of nine months he was interrogated some 20 to 25 times, beaten and tortured. Twice he was taken to a forest where he was stood at the edge of a grave while members of a firing squad pretended they were about to execute him.

"I waited for when it comes," Heine recalled, "but nothing comes. The second time they even fired but not at me, but to subdue me so that I tell them about these activities they suspected I was part of."

From Tartu he was transferred to a prison in Tallinn, the Estonian capital, where he was in a cell alone for about a month. Then one day he was put in with about 20 prisoners, all of whom were German-speaking Estonians. Soon he learned that although he was Estonian, he was to be sent to live in Nazi Germany.

(One of the 20 prisoners who went to Germany with him is Eric Kattemaaa, of Portland, Ore.)

On the train en route to Germany he learned why he had been set free. At this time the Hitler-Stalin agreement was in effect between Germany and Russia and people of German blood in Soviet territory were being repatriated.

Heine's parents were among those who had taken this opportunity to get away from Soviet rule. From Germany they had applied for his release and his group in prison had been exchanged for some German Communist and Jewish prisoners.

He was reunited with his parents at a camp in Southern Germany in May, 1941, and in June the Germans invaded Russia. When Heine learned that an Estonian unit was being formed to liberate his own country, he volunteered immediately.

After a period of training he was sent not to Estonia, but to the Ukraine. The Germans drove the Russians from Estonia without his help, but the puppet government they set up soon called him back from the Russian front.

### Sentenced to death, Heine gave himself up so that his parents would be spared

Heine returned to Tallinn in February, 1942, and worked with the Estonian political police. His job was to interrogate Russian and Estonian Communist agents who had been captured by the Germans. He was later to be sentenced to death by the Russians for his involvement in the interrogation of Neeme Ruus, an Estonian who had served as Minister of Welfare in the pro-Russian government in Estonia, who was shot.

In August, 1942, he went to Poland with an Estonian Legion formed as part of the German army. In May, 1943, after finishing his training, he was

sent to a German officers' school at Bad Toltz, Germany. In February, 1944, he graduated with the rank of second lieutenant and was sent to the front against the Russians at Narva in Estonia.

(Two of those who attended Bad Toltz at the same time are Olaf Tanmark, who now lives at Lake Geneva, Wis., and Fred Prentsel, of Albany, N.Y.)

At Auvere in April, 1944, his battalion was involved in a three-day battle in which it lost half of its men. Heine suffered a surface wound on the skull and a more serious wound in the thigh. He was evacuated to hospital in Tartu, but left soon again without permission to rejoin his battalion.

Heine returned to find the battalion in reserve with only about one-third of its strength remaining. Reinforced by more of their countrymen, the unit was thrown into the northern front in Estonia to try to stem the Russian tide that was now rolling up.

What followed was disaster. A German unit on the left of Heine's battalion pulled out at night without informing the Estonians. In the morning they found themselves surrounded by Russians. Tanks ran over their front lines and the rest was annihilation.

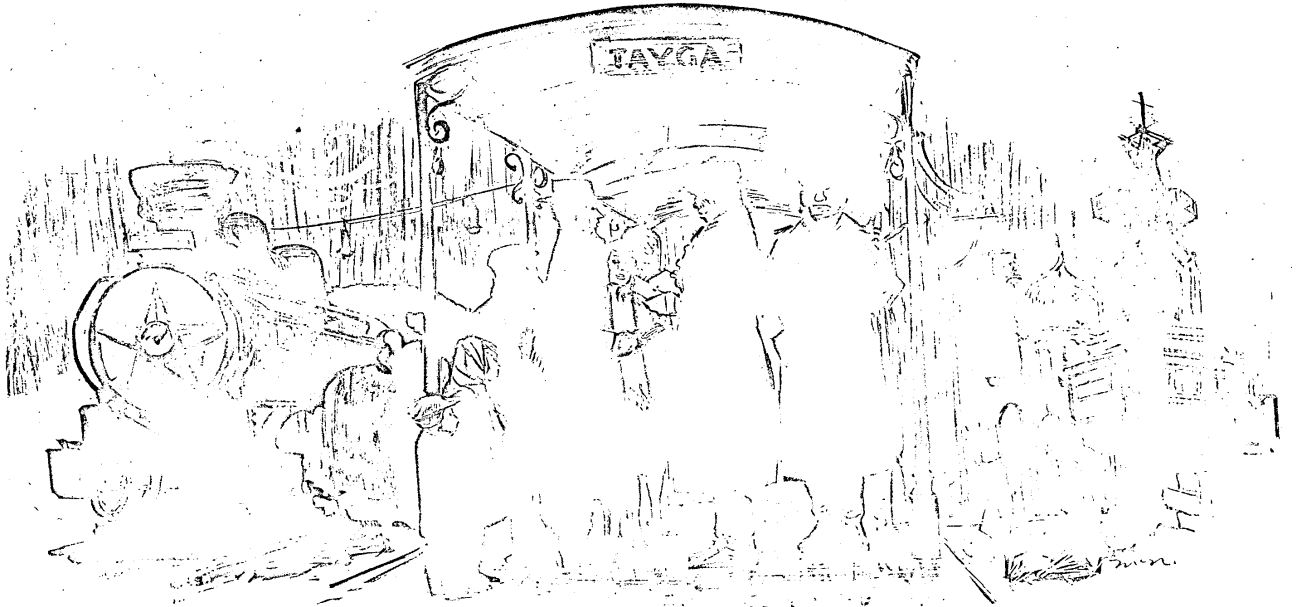
With two other men and under fire, Heine ran across a potato field and into a wood. Finally they made their way to a partially-destroyed bridge across a nearby river.

They were crossing the bridge when German planes returned to bomb it again. The bombs fell so close that Heine suffered a concussion and lost consciousness.

When he came to he found himself surrounded by Russians.

The date of his capture was Aug. 29, 1944. He spent a few weeks as a prisoner-of-war in a camp near Tartu and later was shipped to another near Moscow.

Continued on page 46



Disguised as a ballet dancer, and with black-market train tickets, Heine slipped into Siberia to rescue an Estonian family. He brought them back to safety.



EERIK HEINE

*Continued from page 44*

where he was housed in barracks close to an old monastery.

Once he was taken to the guard house by N.K.V.D. soldiers and beaten until he felt half dead. The same treatment was given to other Baltic prisoners at the camp, all of whom were regarded as traitors to the Soviet Union.

In December he was sent to a camp for political prisoners at Kisela in the northern Ural Mountains. There he worked in a coal mine for 12 hours a day using pick and shovel at the mine face.

At the mine with him was one of the other prisoners from Moscow, Napolconus Cernius, the son of a Lithuanian general. Heine describes Cernius as "the best friend in my life."

Cernius and Heine planned their escape together, first exchanging their army clothes for those of civilian workers. In the end the Lithuanian never made the attempt—he was too weak from hunger, scurvy and overwork.

However, on a March night when a blizzard was blowing, he helped Heine through the first two of a series of barbed-wire fences that surrounded the camp. The pair said goodbye and parted. Heine has never heard of him since.

By stealing food and stowing away on freight and passenger trains, Heine made his way across Russia to Leningrad. For days at a time he had nothing to eat.

At length he reached the outskirts of Leningrad. He was circling the city on foot to avoid the checkpoints when he saw what appeared to be an unbelievable sight—men unloading loaves of bread from a truck.

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### Heine escaped from the prison camp, but his hunger forced him into the hands of the Russians again

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At this point Heine had not eaten for three or four days. He went mad at the sight. He grabbed a couple of loaves and staggered weakly off—into the arms of two policemen who were coming around the corner.

At this time there were many escaped prisoners of war wandering about and the local police were glad to get one more to add to the manpower of their own district. Heine worked at cleaning up the ruins of destroyed Leningrad factories until he was shipped back to a camp at Tallinn at the end of 1945.

Heine had been calling himself Hein, omitting the final "e" from his name, in the hope that no connection would be made with his Estonian youth and political-police activities. At his first interrogation in May or June, 1946, he also changed his age and address to avoid proper identification. But because so many people in the camp knew who he really was, he decided he would have to escape before he was uncovered.

His chance came when he was working at a sawmill near the camp. After stealing civilian clothes from another prisoner, he managed to slip out among the mill workers as they went off duty.

Within a few days he had joined a guerilla group of nine men and one woman led by a former Estonian army captain, Endel Parks, in the district of Jarvamaa.

For the next four years, from 1946 to 1950, Heine lived and fought with the guerillas in Estonia. He believes there were perhaps 5,000 guerillas in all when he first arrived, operating in small units. Their band had contact with a few others and co-operated with them.

His most spectacular exploit was in 1947 when he went alone by plane, train and boat to Siberia and brought back a man, three women and two children, all Estonians who had been deported some years before. Heine carried false papers identifying himself as a ballet dancer bound for Novosibirsk to give a performance. He bought black-market train tickets, used forged passports, bribed officials and got his human cargo back safely to Estonia.

(In Toronto Heine met an Estonian with the same name as the man he had brought back from Siberia. It turned out that they were

Telegam, Oct 25, 1966

# Exile suing CIA named

## defendant in libel action

... OF CONTACT ... for the Ontario ... of Labor, J. H. ... Director of welfare ... complained that it ... difficult to contact ... compensation Board. ... had written the ... out industrial deal- ... radi. Non sickness ... s ago and only re- ... ceive a reply, he

An Ontario Supreme Court libel action took a dramatic turn yesterday when Eerik Heine, an Estonian exile suing the U.S. Central Intelligence Agency for slander, was named as a defendant.

Mr. Justice W. A. Donohue discharged the jury in the trial's fourth day and a new trial was called.

In the action, two leaders of Toronto's Estonian community say they were defamed by anonymous pamphlets published by Toronto lawyer Mart Tarum.

Mr. Tarum, also an Estonian, told a six-man jury last week that Mr. Heine had admitted being the author, pugisher and distributor of the pamphlets.

Mr. Heine's statements were made in the presence of Mr. Tarum's lawyer, Donald J. Catalano, Mr. Tarum testified.

Donald A. Keith, counsel for Harry Boris Parkma, 59, president of the Estonian Central Council, and Olev Trass, of the University of Toronto's engineering faculty, made the motion to add Mr. Heine as a defendant.

Mr. Parkma and Mr. Trass, who are suing for libel, claim that in the pamphlet that in the pamphlet through a resort the two Houses of

nt. ... tion results from ... Landreville's ... se, while a judge ... of free stock in

phlets they were attacked for being soft on Communism and for suppressing the truth about a visit to Toronto by Estonian writer Rudolph Sirge in September, 1964.

The pamphlets criticized the Estonian Central Council's reaction to the way certain members of the community feted Mr. Sirge, who some Estonians, the court was told, believe to be a Communist emissary.

Mr. Parkma, however, testified that when the Estonian council learned that a member of its executive, Carl Eerme, had entertained the Estonian visitor, the council asked for and received Mr. Eerme's resignation.

The jury was told Mr. Tarum had been seen distributing one of the three anonymous bulletins at an Estonian war veterans meeting.

Mr. Tarum denied he was the author, implicating Mr. Heine as the man responsible.

Mr. Heine, 46, of Rexdale, is involved in a separate libel action in the United States, suing Estonian Jury Raus for \$110,000 for allegedly following CIA or-

der to spread a story that he was a Soviet spy.

Mr. Keith said he would file documents today with the registrar of the Ontario Supreme Court to begin a

thirds of the floods mentioned LSD and a couple mentioned 'pot' (marijuana) including one which had the slogan 'get off the pot and get on the job'.

Carl Jordan, 21, and Paul Belliveau, 20, both of Indian rd., were each sentenced to two years less a day definite and one year indefinite for trafficking in marijuana. They sold a \$10 envelope of the drug to Policewoman Wing.

Harry Cropper, 13, of Avenue rd., was sentenced to two months and given two years probation for selling marijuana resin (hashish) and marijuana to Const. Oldham and PW Wing.

Charles Simmons, 19, of Shuter st., was sentenced to a year definite and a year indefinite for trafficking in marijuana. Barbara Hong, 19, of Roxboro st., burst into tears when she received suspended sentence and two years' probation for the same offense. Police found more than two pounds of marijuana or enough for 3,600 cigarettes in a laundry bag in Miss Hong's room.

Gerald Weeden, 25, of Brookfield st., was sentenced to two years less a day definite and one year indefinite for trafficking.

John (John-John) Morris, 21, of Leaside, received suspended sentence and two years' probation for selling marijuana to the policewoman. Helen Grant, 19, no fixed address, who introduced Morris and two other sellers to the undercover officers, received a year on eight counts of trafficking.

Gerald Dixon, 26, of Huron st., received two-and-one-half years' concurrent to one-half years' concurrent

# New row over \$70,000 land deal

BURLINGTON — (Staff) appraisers' estimates and maintained the land was worth \$70,000.

Two appraisers were wrong when they valued at about \$42,000 land purchased by Halton Region Conservation Authority for \$70,000, town council was told last night.

Councilor William Green, Burlington's Authority representative, defended the purchase claiming the Authority got good value for its money.

ESTIMATES "As far as I'm concerned, it's just a simple matter of two appraisers underestimating true land value," he said.

After the meeting, Mayor Lloyd Berryman predicted further talks about 145-acre purchase, adjacent to the Authority's Kelso Dam Park.

Oakville Mayor McLean Anderson repeated an earlier call for an independent inquiry board to probe the

# Former Army press officer dies

Former Canadian army public relations officer, Major D. L. (Burlly) Burleson, 49, died at his Markham home on Sunday.

His wife, the former Margaret Pottie, was in Halifax visiting her mother.

Win n i p e g-born, Maj. Burleson joined the army as a private in 1941. He rose to deputy director of public relations at Ottawa headquarters and retired in 1963.

After retirement Maj. Burleson was a public relations officer at Ottawa headquarters and retired in 1963.

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... about 40 phlo ... mades. We includ ... ment to go to ... apartment a fe ... to make the m ... On the day of ... ment, Miss Pir ... the police stati ... policewoman ... brassiere with a ... transmitter.

"The key wor ... 'cardigan' exp ... Pimm. When ... heard that ... transmitter ... come in the ... Then she ... again, Miss Pim ... Wright had a ... picked her up i ... they drove to ... on Keele st.

another man th ... introduced as ... said, and cam ... up on a tripod. ... "The ... start in the show ... the bedroom, ... the living room ... Pimm. was ... when someone ... get started I ... and exposed ... went into the ... There said ... about the tim ... transmitter an ... came out of th ... the appearan ... police."

The trial cont ... Judge William ... jury of 11 in ... woman.

Clifford Caye ... peared in court ... black net stocki ... an's tweed suit ... hair piled high ... Cayer, who ha ... male aliases, w ... or one month by ... Lucien Kurata ... convicted

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CANADIAN  
LIBEL

HEINE IS  
REFUSED

Toronto Daily Star  
Oct 25, 1966

Called as co-defendant

# Estonian suing CIA named in libel case

Erik Heine, an Estonian immigrant who is suing an agent of the U.S. Central Intelligence Agency for \$110,000 for slander, was added as a defendant yesterday in a libel action brought by two leaders of Toronto's Estonian community.

Ontario Supreme Court Justice W. A. Donohue ordered a new trial in the libel action, with Mr. Heine, 46, being added as a co-defendant.

Heine (pronounced Han'ya) who served in the German forces during the war, claims to have been an anti-Communist partisan leader in Estonia after 1945. He came to Canada in 1956 after release from a Soviet prison camp. The CIA agent, Juri Raus, also an Estonian, accused him in 1963 of being a Soviet agent.

Harry Boris Parkma, 59, president of the Estonian Central Council, and Dr. Olev Trass, council secretary and a University of Toronto professor, claim they were libelled in three anonymous Estonian-language bulletins distributed two years ago.

Defendant Mark Tarum, a Toronto lawyer, told the jury last Thursday that Heine admitted to him last week that he wrote, published and distributed the bulletins.

Mr. Tarum said his lawyer was present when Heine's statements were made.

Tarum had denied being responsible for the bulletins.

Donald A. Keith, counsel for Mr. Parkma, made the motion to add Heine as defendant. Mr. Justice Donohue dismissed the jury and ordered a new trial with

Heine and Tarum as co-defendants.

Heine has charged in the U.S. that the CIA agent called him a Soviet spy.

Heine, who became a Canadian citizen in 1963 and has been free to go back and forth across the U.S. border, has frequently been denounced by the Communist press in Estonia as a "war criminal." He has a reputation in Toronto as an

anti-Communist.

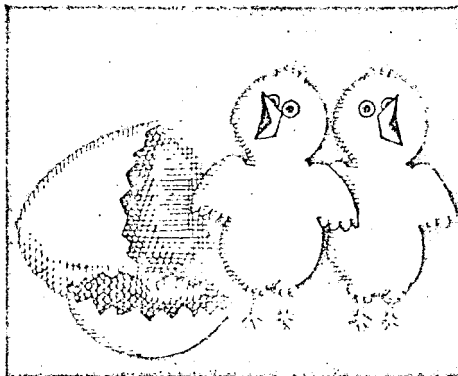
During his slander action before a federal judge in Baltimore, the CIA admitted it instructed Raus to say Heine was despatched to America as an agent for the Soviet Union and was posing as an anti-Communist.

The case has attracted wide international attention and has provoked comment both in the House of Commons and the U.S. Con-

gress. The CIA is seeking to have the action dismissed on the ground that its agents are immune to slander.

Legal minds see that action as a test of whether U.S. undercover agencies have the right to accuse their own citizens, and those of other countries, without giving the accused a chance to defend themselves in court.

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with us on  
doubling  
your money.



Canada's Birthday Bonds

Talk to The Bank of Nova Scotia about the new Canada Savings Bonds Centennial Series, and about your personal holdings of past issues. We can advise you of the best way to double your money with the new Canada Savings Bonds. On sale now at every branch.

## New lifeboat

OTTAWA--A 44-foot lifeboat that rights itself when capsized has been bought by the



EVENING STAR, 8 Dec 66

# Heine Loses Case Against CIA Agent

By LYLE DENNISTON

Star Staff Writer

BALTIMORE — A federal judge today threw out a \$110,000 lawsuit accusing a CIA agent of slander in calling an Estonian emigre leader a Communist and Soviet agent.

Judge Roszel C. Thomsen issued an order summarily dismissing the suit filed two years ago by Erik Heine, a native of Estonia who now lives in a suburb of Toronto, Canada.

Heine's suit was against Juri Raus, a Hyattsville engineer for the Bureau of Public Roads and a sometime agent of the Central Intelligence Agency.

The CIA has said that Raus was an employe of the agency and had been given orders in 1964 to spread the word that Heine was a "dispatched Soviet intelligence operative, a KGB agent." KGB is the Soviet secret police agency.

Judge Thomsen based his dismissal of the lawsuits on two grounds:

He said that Raus has a "privilege against liability for defamation" because he acted "within the scope of his employment by an agency of the United States."

2. The government has a

"privilege against discovery of the secrets of the CIA."

Thomsen's ruling, in effect, ends the lawsuit, unless Heine's lawyers are able to persuade a higher court to reverse the ruling.

Heine's attorneys have said they would appeal if Thomsen dismissed their case. They have 30 days to file a formal notice of appeal with the 4th

See HEINE, Page A-10

**HEINE**

# Suit Against CIA Loses

Continued From Page A-1  
U.S. Court of Appeals at Richmond, Va.

Had the judge ruled the other way, Heine's claims that he was defamed by Raus would have been tried before a jury.

"The Same Dilemma . . ."

Thomsen, noting that Heine had challenged the truth of the remarks made about him by Raus, said in his opinion today: "A trial would not resolve

the question of the truth or falsity of the charges, because the court would still be required to recognize the privilege asserted by the United States."

The judge said "the dilemma which would be presented at the trial would be the same dilemma which is presented now."

That dilemma, the judge said, is whether Raus would be forbidden to testify about facts

and to call witnesses in order to prove that what he said about Heine was true. This inability, he said, might not only make Raus come into court "weaponless before his adversary," but might deny Heine "the opportunity to attempt to vindicate himself in court."

The judge said: "No way to avoid choosing between two evils has been suggested or discovered."

In upholding Raus' claim that he has a privilege of immunity for his officially ordered statements against Heine, Judge Thomsen relied on a 1959 Supreme Court decision in the case of Barr v. Matteo.

The ruling in favor of the CIA's claim that it need not tell any more secret information about Raus and his actions was based upon a federal law designed to safeguard national defense and security secrets.

"It is clear that if Raus makes further disclosures without the approval of the agency, he would not only violate the secrecy agreement (that he made with the CIA in 1963), but might also violate the statute prohibiting unlawful disclosure of confidential information respecting the national defense."

The judge said that he "has been anxious" to insure that Heine "should have the opportunity to discover whatever facts

he is legally entitled to discover . . . and has accorded plaintiff (Heine) that opportunity."

But the judge made it clear he felt the CIA had been compelled to go as far as it should have been in disclosing data about Raus' activities.

The CIA had told the court in several affidavits that Raus was called upon to make the statements about Heine's alleged role as a Soviet agent because that was necessary to protect "the integrity of the agency's foreign intelligence sources."

The agency's concern about Heine apparently rose in 1963 when he was making a tour of the United States and Canada. During his tour, Heine was describing what he called his vigorous efforts as an anti-Soviet freedom fighter, and as a result was gaining popularity among the North American community of Estonian emigrants.

Because of this the agency decided that it had to expose Heine's alleged background as a Communist agent, and chose Raus, himself an Estonian immigrant, to do the job.

In his lawsuit, Heine claimed that on three occasions in 1963 and 1964 Raus described him as a Communist and a KGB agent.

'Interest of National Security'

Washington Daily News, 9 Dec 66

## Slander Suit Against CIA Agent Is Dropped

BALTIMORE, Dec. 9 (UPI)—Protection of "national security" may even justify the use of slander by secret agents, a Federal judge ruled yesterday.

Judge Roszel Thomsen upheld the right of a Central Intelligence Agent to keep silent in a suit by an Estonian emigre. He dismissed the case against Juri Raus, 39, 5103 43d-av, Hyattsville, an engineer for the U.S. Bureau of Public Roads,

charged by Erik Heine, 46, of Rexdale, Ont., a suburb of Toronto.

Mr. Raus is also a national commander of an Estonian emigre organization dedicated to freeing the country from Russian rule; Mr. Heine is prominent in the same cause.

Mr. Heine charged that Mr. Raus slandered him by telling other Estonian emigre leaders that he was a double agent.

The CIA conceded that Mr. Raus had made the charges under CIA orders.

Judge Thomsen agreed with the CIA claim that for Mr. Raus to be cross-examined could be "contrary to the national security interests of the United States."

There was no indication of whether Mr. Heine would appeal the dismissal of his \$110,000 suit.

The case first came to light eight months ago when the CIA

made the unusual identification of Mr. Raus as one of its agents. But he never was allowed to elaborate on the admission that he made the charges against Mr. Heine.

In Estonian refugee circles, Mr. Heine was known as a former partisan fighter and militant anti-Soviet nationalist.

During the trial he told a dramatic story of capture and escape, of daring guerilla raids against the Russians.

SUNDAY STAR, 11 DEC 66.

# Shutoff of Suit Against CIA Agent Veils Status of Heine

By ORR KELLY  
Star Staff Writer

The trial which might have determined whether or not Erik Heine is "a dispatched Soviet intelligence operative, a KGB agent," has been ruled out for the time being—and perhaps forever—by a federal court judge in Baltimore.

But two men who might well have been called as key witnesses in Heine's behalf have told what they know about Heine in long letters in response to a series of questions from The Star.

On Thursday, Chief Federal District Judge Roszel C. Thomsen summarily dismissed Heine's \$110,000 slander suit against Juri Raus, a fellow Estonian emigrant who is now a Bureau of Public Roads engineer living in Hyattsville.

According to affidavits filed by the Central Intelligence Agency in the case, Raus was a CIA agent and was instructed to warn fellow Estonians that Heine was a Soviet agent.

In his decision, Thomsen ruled that Raus was protected from a slander suit because the statements he made were done as part of his duties for the CIA. A trial, he added, would put Raus in a position where he could not defend himself without violating an oath of secrecy signed in 1963.

## Names 4 Friends

Earlier in the year, when it appeared possible that the case might result in such a ruling, Heine, whose home is in a suburb of Toronto, Canada, was asked for the names of friends who might corroborate his story that he was an Estonian patriot and freedom fighter and that he had always been a staunch anti-Communist.

He supplied the names of three men he said had been close friends when they were in Soviet prison camps during the 1950s and the name of an elderly woman who he said had helped him in the late 1940's when he was living as a freedom fighter in the Estonian forest.

No reply was received from the elderly woman and it has been impossible so far to contact one of the three men.

The other two replied with statements strongly supporting Heine.

Otto Knispel, a 61-year-old cabinet maker now living in Lembo/Lippe, in West Germany, wrote that he had been a close friend of Heine's in Soviet Prison camps from 1951 until October 1956.

"I consider it impossible," he wrote, "that Erik Heine would have lowered himself to work as an agent or spy. . . I know him too well to believe that about him. . . ."

"The prison camps in which we were located were populated almost entirely by political prisoners with sentences up to 25 years. It was only natural that we stood solidly together in groups according to our nationalities and that we protected ourselves against agents, spies and other dubious characters.

"I think it is impossible that Mr. Heine ever was a Russian or Soviet agent or informer or that he could have worked as such. . . . He showed in captivity his strong characteristics and unchangeable attitude.

"By reason of my personal experience with Mr. Heine in captivity, I think it is impossible that he has changed in Soviet captivity or that he ever could

have been a Soviet agent." One unexplained incident was reported by Brett in his letter.

In August 1965, he said, he was visited by agents of the Bavarian Department of the Interior (a state police agency) and was asked a series of questions concerning his relationship with Heine.

This was more than a year after Raus had made his accusa-

tions against Heine and many months after Heine's slander suit against Raus had been filed. But Raus' attorneys, who made an intensive investigation of Heine in the United States and Canada in preparing their defense, said they know of no attempts to gather information about Heine in Europe.

The conflict between Heine and Raus—and the CIA—has

caused a deep and bitter split in the Estonian emigre community in the United States and Canada. It was in hopes that a court trial would establish the truth and thus end the uncertainty on which this bitterness was based, Heine said, that he filed his suit against Raus.

His attorneys are now preparing to appeal Judge Thomsen's ruling to the 4th Circuit Court of

Appeals in Richmond and they have said they would fight the case to the Supreme Court.

Even if a higher court should send the case back for a jury trial, however, the full truth may never be known unless the CIA should decide to make public what it knows about the case—information it so far has been at elaborate pains to protect.

## "Out of the Question"

"Accordingly, agents and spies didn't have a chance with us; as soon as anyone was bribed by a Russian political officer, he was immediately uncovered and neutralized.

"I consider it completely out of the question that Erik Heine changed his political opinions and became a Soviet agent while he was in prison. He was a member of the forced labor brigade in each camp. The Russians assigned to these brigades the prisoners whom they feared. They were prisoners who had once escaped, conspirators, rebels, officers and prisoners with high intelligence.

"They had to work under double guards with bloodhounds. They had to perform the hardest and dirtiest work without any privileges. They were subject to all kinds of dirty tricks.

"Since he was an officer, he always belonged to this forced labor brigade—for five years, as long as I was with him.

"Through this treatment, the Russians wanted to make the prisoners weak and pliable. I am completely convinced that the Russians accomplished just the opposite."

## Similar Account

A similar account was contained in a seven-page typewritten letter from Karl Brett, a 42-year-old sculptor living in Munich, Germany.

Brett, who is three years younger than Heine, knew him when they were schoolboys in Tartu, Estonia, before World War II, and met him again in 1952 in a Soviet prison camp, he wrote.

"I worked together with Mr. Heine in labor groups on railroad track construction," Brett said. "We slept in the same room and ate at the same table and I learned to know him well.

# Heine named as defendant in libel suit

Erik Heine, an Estonian exile suing an agent of the U.S. Central Intelligence Agency for \$110,000 for slander for calling him a Soviet spy, was added yesterday as a defendant in an Ontario Supreme Court libel action.

Mr. Justice W. A. Donohue ordered a new trial, with Mr. Heine, 46, of Rexdale, added as defendant, in the action by two leaders of Toronto's Estonian community who were attacked in three anonymous pamphlets two years ago as being soft on communism.

The trial took a dramatic turn on its fourth day when defendant Mart Tarum, a Toronto lawyer who is also an Estonian, testified Thursday before a six-man jury that Mr. Heine admitted to him last week for the first time that he was author, publisher and distributor of the pamphlets.

Mr. Tarum said Mr. Heine's statements were made in the presence of his (Mr. Tarum's) lawyer, Donald J. Catalano.

A motion to add Mr. Heine as defendant was made by Donald A. Keith, counsel for Harry Boris Parkma, 59, a trust company employee, and Olav Trass, a University of Toronto assistant professor. They are suing for defamation of character as a result of the anonymous pamphlets.

Mr. Justice Donohue discharged the jury, granted Mr. Keith's application and ordered a new trial with Mr. Heine and Mr. Tarum as defendants.

Mr. Keith said at the aborted trial that the visiting writer was Rudolph Sirge, who some Estonians in Toronto say is an emissary of the Communist regime in Estonia.

Mr. Keith said his clients allege they were defamed in three anonymous bulletins distributed by mail to about 3,000 Estonian homes in Toronto.

Mr. Tarum was seen distributing copies of the second pamphlet to a meeting of an Estonian war veterans group, the jury was told.

Under questioning by Mr. Catalano, Mr. Tarum testified that he did not know in 1964 or 1965 who was responsible for the pamphlets.

"Do you know now who is responsible?" the lawyer asked him.

"Yes . . . I found out last Tuesday in your office," Mr. Tarum testified. He said Mr. Heine volunteered at that time that he was the author, publisher and distributor of the pamphlets.

Mr. Tarum said it was his first indication of this and the information was given in his presence by Mr. Heine to Mr. Catalano.

Mr. Parkma had testified that when it was learned that Carl Eerme had entertained Sirge at a party in September, 1964, with other Estonians, the executive of the Estonian Central Council asked for and received Eerme's resignation from the executive.

Mr. Parkma said Eerme was director of the cultural archives for the Estonian community in the Toronto area.

## FUN WITH FIGURES

By J. A. H. Hunter

In this easy "doubly-true" alphabetic each letter stands for a different figure. One of the 7s is shown, which should be a big help in discovering the value of TEEN.

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New York Times,  
14 May 66

AGENTE

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DEPARTMENT OF JUSTICE  
U. S. DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

### Judge Puts Off Decision in Slander Case to August

By BENJAMIN BRINKLEY  
Special to the New York Times

BALTIMORE, May 13 — A Federal judge today postponed for at least three months a ruling on whether an Estonian emigre leader whom the Central Intelligence Agency has acknowledged ordering one of its agents to publicly accuse as a "Soviet spy" can sue the C.I.A. agent for slander.

Lawyers for both Erik Heine, 46 years old, and his C.I.A. accuser, Juri Raus, 38, had indicated they expected a ruling today on the key question of the intelligence agency's claim of immunity for Mr. Raus.

The agency has conceded in the United States District Court here that Mr. Raus slandered Mr. Heine in 1953 and 1964. But it contends that Mr. Raus was acting as a "Government official" on proper orders of a Government agency in telling members of the Estonian emigre community in this country that Mr. Heine was "a K.G.B. agent." The K.G.B. is the Soviet Union's secret police.

The C.I.A. has submitted a series of affidavits filed in court here which seek to isolate Mr. Heine as a "foreign intelligence agent" from discovery by the public.

#### A New Claim

During a three-day hearing today new complications were injected. The United States Supreme Court in 1958, in *Citizens for Government Reform v. United States*, held that officials and privileged and the officials are immune from suit if they act within "the outer perimeter" of their duties in making the statements.

However, Mr. Raus's motion for an immunity judgment of Mr. Heine's \$110,000 slander suit has been complicated by the fact that the C.I.A. will not permit him or other C.I.A. witnesses to be cross-examined by Mr. Heine's lawyers in opposing the dismissal.

The C.I.A. has contended in effect, that Mr. Raus is immune from suit and that Mr. Heine must accept the claim without question because to test it in court would breach security.

This assertion has presented special problems to District Judge Roszel C. Thomsen. Under Federal rules of procedure, a defendant seeking dismissal of a suit—in this case, Mr. Raus—ordinarily bears the burden of showing good cause for the dismissal. Mr. Raus, however, has shown the court nothing, and Government lawyers here today said again that he would not be permitted to do so even if the case ultimately went to trial.

#### Judge Notes Point

Judge Thomsen noted today that the new points raised by Ernest C. Raskauskas and Robert J. Stanford, Mr. Heine's lawyers, "raise the whole question of the right of the Government to engage in these intelligence and counterintelligence activities, and whether the same rules [of justice] apply as in the other activities of Government."

Mr. Raskauskas had argued that "the C.I.A. has no statutory right to run around the United States, where it is forbidden by law to operate in any case—into the Masons or the Knights of Columbus or some other group or wherever it is—and to subvert those people against one another."

Judge Thomsen set a schedule running through the end of August for the filing of briefs and for oral arguments, if needed, on the new points raised today.

JAG DEC 9, 1966

# SLANDER SUIT AGAINST CIA MAN DROPPED

## U.S. Agency's Silence In Case Thwarts \$110,000 Action

BY THEODORE W. HENDRICKS

A Federal judge yesterday threw out a \$110,000 slander suit brought against a CIA operative by an Estonian who argued that the agent had called him a subversive.

Eerik Heine, 46, who resides in Canada, claimed damages in the case because his reputation as a lecturer on anti-Communist activities had been ruined.

However, the CIA refused to disclose the sources of its information on Mr. Heine except to admit that it had sent the agent to New York to make the statements.

### Impossible To Try Case

Chief Judge Roszel C. Thomsen noted that the reluctance of the CIA to submit to interrogation in normal court procedures made it impossible to try the case.

"A trial would not resolve the question of the truth or falsity of the charges, because the court would still be required to recognize the privilege asserted by the United States," Judge Thomsen wrote.

The dilemma posed by Judge Thomsen was this:

1. Since the agent, Juri Raus, 38, of Hyattsville, was prevented from testifying, he would stand "weaponless before his adversary" in a court trial.

### Choice Between 2 Evils

2. On the other hand, lack of a trial would deny Mr. Heine the opportunity to attempt to vindicate himself in court.

"No way to avoid choosing between two evils has been suggested or discovered," Judge Thomsen wrote.

A choice in the matter was dictated, Judge Thomsen decided, by Supreme Court decisions which

(Continued, Page C 12, Column 6)

# Hopkins Joins Competition wooing Top-Flight Negroes

By GENE OISHI

Top-caliber Negroes are now the most sought-after students at prestigious private colleges in the North, according to the Hopkins admission office, which is engaged in a far-ranging recruiting drive for Negroes.

A Negro high school graduate who exhibits outstanding academic abilities can expect to be wooed by a dozen top-flight schools, each offering generous scholarships.

### 15 Negro Freshmen

The Johns Hopkins University, which actively joined the competition last year, has enrolled fifteen Negro freshmen this year—twelve of them on scholarships ranging from \$250 to \$2,700.

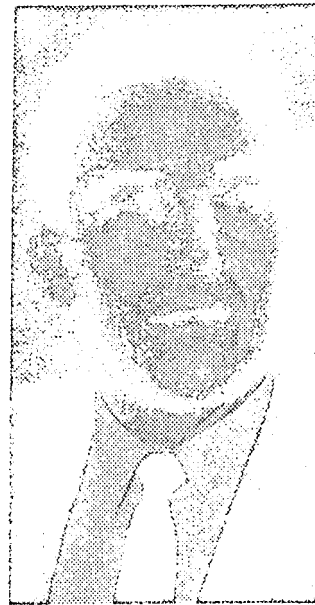
Most of the scholarships are well over \$1,500.

Last year the Hopkins had no Negro freshmen, and over the last twenty years the average number of Negro undergraduates admitted has been less than two a year.

The first Negro student was admitted to the Hopkins in 1944.

Robert P. Bilgrave, director of admissions at the Hopkins, said the university has always been open to Negroes but that few bothered to apply.

Its location (not far enough North), its high academic standards, and high cost, have com-



ROBERT P. BILGRAVE  
Hopkins' Admissions Director

bined to discourage Negroes from applying, Mr. Bilgrave said.

The cost of going to the Hopkins is estimated at \$3,300 a year.

Mr. Bilgrave said "a breakthrough" in Negro recruitment was achieved last year when the National Merit Scholarship Corporation published a list of 1,500

(Continued, Page C 12, Column 6)

# WOMEN'S JAIL CRITICIZED AT HEARING

## Mrs. Mitchell, 2 Former Guards Appear At Probe Session

By STEPHEN A. BENNETT

The Michaelson Commission was told yesterday that there was no rehabilitation, no training program for officers, dual standards for treatment of Negroes and whites and poor management of the Maryland Institution for Women at Jessup.

Mrs. Juanita Jackson Mitchell, president of the Maryland chapter of the National Association for the Advancement of Colored People, and two former women guards at the institution testified

### Another Group Gets Charges

Benjamin Michaelson, Sr., who heads the commission that is investigating the State prison system, said afterward that the "general" charges had been turned over to a professional group, the American Correctional Association, which is also studying the prison system.

Mrs. Mitchell charged that the two women guards had been fired because they complained about the system.

The meeting was closed, but Mrs. Mitchell outlined some of the specific complaints made to the commission:

1. Homosexuality is widespread at the women's institution, the commission witnesses said. They said that men's wristwatches are sold to the women and girls and allowed to wear men's clothing in the recreation room.

### Claim No Trades Taught

2. Inmates are not "taught" knit at the sewing shop, they said and therefore do not learn a trade. Only women experienced in sewing work in the sewing shop.

3. There are differences in standards of punishment for Negro and white inmates, the whites getting the better treatment, they charged.

4. There is an inadequate recreation program for inmates.

Mrs. Mitchell said the former guards told the commission that these charges had been made by correctional officials last summer and that a copy of a report on the conditions at the women's institution

# NUMBERS CHARGE DRAWS \$500 FINE

## City Woman Seized On Tip By Another, Who Is In Jail

By GEORGE J. HILTNER

A 44-year-old woman numbers-racket defendant, arrested as the result of a tip given police by another woman now serving a prison sentence, was fined \$500 and costs yesterday.

The defendant, Mrs. Inez E. Mays, of the 900 block Joplea avenue, was named as the person to whom the incarcerated numbers writer passed on her lottery play, according to John Henry Lewin, prosecutor.

The unidentified tipster earlier this year was imprisoned for eleven months and fined \$1,000 on a numbers charge by Judge Joseph T. Gault. When questioned later by police she stated that she had dealt in the numbers racket with Mrs. Mays.

# NEIGHBORS FIGHT BID TO MOVE SPA

## Shift Of Charles Street Bar Called Step To New Block

By JOHN E. WOODRUFF

Residents, business men and religious leaders in the Charles Street-Mount Royal area joined yesterday in protesting plans to move a bar around the corner from Charles street onto West Mount Royal avenue.

Harry J. Anderson, a lawyer for the Greek Orthodox Church of the Assumption, and R. Sanchez Boone, Jr., secretary of the Mount Vernon area neighborhood council, told the city liquor Board they fear that the move by The Spa to a location next door to a club known as Les Gals would begin to make Mount Royal avenue into "the uptown Block."

Civic Leaders Involved  
The board hearing was marked by frequent clashes between Paul J. Reed, Jr., lawyer for The Spa,

# PRENTICE ATE BACKED

## neers Training Plan roved By Coast Guard

HELEN DELICH BENTLEY  
Continued from Page C 9)

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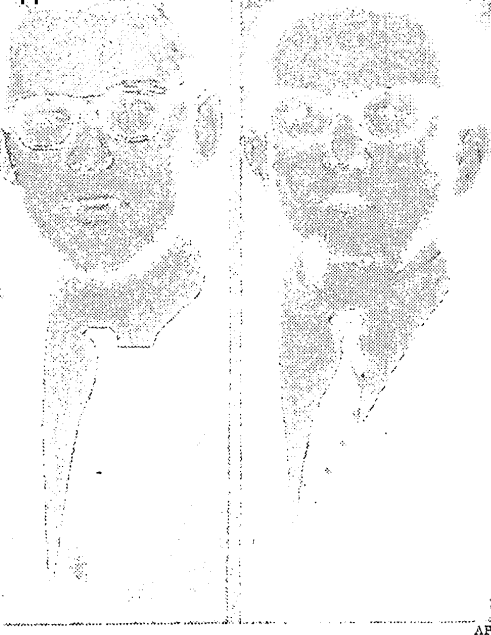
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...many groups as possible.

## 4-Million Pact For Tankers Due

...New York, Dec. 8 (Special)—An  
...\$60,000,000 contract calling for  
...struction of two tankers for  
...ss Tankers, Ltd., one of the  
...hard group, is expected to be  
...ned next month, according to  
...announcement made here by  
...nard.  
...Barksburg of Goteborg, Sweden,  
...uld build the 22,500 ton ships,  
...company said.



CASE DISMISSED—Juri Raus (left), a CIA operative, called Erik Heine (right) a subversive and was sued for slander, but the case was ended because the CIA refused to talk.

## Silence By CIA Thwarts Slander Suit Against Agent

By THEODORE W. HENDRICKS  
(Continued from Page C24)

reinforced a principle first stated  
by Judge Learned Hand.

Judge Hand pointed out that  
there was a danger in subjecting  
public officials to a civil trial for  
official acts that caused some per-  
sons to suffer.

In the case before him, Judge  
Hand decided that it was "better  
to leave unredressed wrongs done  
by dishonest officers than to sub-  
ject those who try to do their duty  
to the constant dread of retaliation . . ."

**No Way Of Solving Dilemma**  
Since there was no way of solv-  
ing the dilemma in the present  
case, Judge Thomsen said he  
would have to rely on "principles  
so clearly stated" and enter a  
summary judgment for Mr. Raus.

The slander suit against Mr.  
Raus was originally brought in  
Federal Court in November, 1964.  
At that time, Mr. Heine alleged  
that he had never been a Commu-  
nist.

Mr. Heine said that he was a  
citizen of Canada and had been  
active in various Estonian emigre  
groups, lecturing and showing a  
movie: "Creators of Legend."

He was a prisoner in Russian  
prison camps and a guerrilla  
fighter against the Communist  
takeover of his country, Mr.  
Heine asserted.

Suit was filed because Mr.  
Raus, the national commander  
of the Legion of Estonian Libera-  
tion, Inc., on three occasions  
stated Mr. Heine was a planted  
subversive agent.

**Admits Furnishing Data**  
In an answer to the suit, Mr.  
Raus admitted that on three oc-  
casions he had stated the plain-  
tiff was a Soviet agent or col-  
laborator and should not receive  
Estonian cooperation.

Mr. Raus at first stated only  
that the information came from  
an official agency of the United  
States Government, according to  
the answer.  
However, subsequent court pro-

## Pay Delay Hurts Doctors, Hospitals, Druggists

By JOHN S. CARROLL  
(Continued from Page C24)

helped by such a payment, but it  
still has not been reimbursed for  
bills submitted last summer.

South Baltimore General Hospi-  
tal has spent reserve funds to  
compensate for \$70,000 expected  
from Medicare and Medicaid.

Similar tales were told by other  
hospitals. But nearly all those  
questioned felt that the situation  
showed signs of improving, and  
most were in sympathy with  
those involved in instituting the  
two vast programs.

**Physicians Report**  
Physicians questioned yester-  
day reported that a vast number  
of their bills, too, remain unpaid  
by Medicare and Medicaid.

Typical was the case of a Park  
Heights avenue surgeon, who said  
he had received payment on only  
one of thirteen Medicare bills sub-  
mitted since early August.

A South Sharp street physician  
said he had been in financial diffi-  
culties until he received a partial  
reimbursement from Medicare,  
based on the estimated total of  
his bills.

A physician whose office is on  
Edmondson avenue said that Medi-  
care payments were lagging far  
behind, and Medicaid payments  
were behind but catching up.  
"I've been in quite a bind," he  
said, adding that his office had  
been handling an increasing num-  
ber of patients on "sub-standard"  
Medicaid fees.

**Programs Defined**  
"It's an economic impossibility  
to continue this way," the West  
Baltimore doctor said. "But basi-  
cally I think these programs can  
be one of the best things ever  
devised, if properly administer-  
ed."

Medicaid is a federally sup-  
ported State program providing  
medical services for the poor of  
all ages. The State Health Depart-  
ment has proposed a raise in  
doctors' fees in the next budget.

Medicare is a Federal program  
of care for persons 65 or older.  
Through a local intermediary —  
Maryland Blue Cross-Blue Shield  
—it pays for a number of medi-  
cal services.

Medicare and Medicaid are,  
respectively, Title 18 and Title 19  
of the Social Security Act of 1935  
as amended in 1965.

**Druggists Troubled Too**  
Druggists, as well as doctors  
and hospitals, have experienced  
problems with payments under  
the two programs.

A Washington boulevard firm  
reported that its bills are being  
paid in an average of 45 days.  
The manager said other phar-  
macists have waited nearly three  
months for payments.

Medicare and Medicaid officials  
give a number of reasons for the  
delays.

They include: Improperly filled-  
out forms, problems with disbur-  
sing the backlog of bills accumu-  
lated at the start of the programs,  
difficulties in switching to new  
computerized systems, and a  
shortage of qualified data-process-  
ing personnel.

**Situation Seen Improving**  
Both Medicare and Medicaid  
officials maintain that the situa-  
tion is rapidly improving, and  
that current bills are being paid  
in less than a month.



WASH. STAR 9 Dec 66

# Heine to File Appeal in Sland

By LYLE DENNISTON  
Star Staff Writer

A federal judge's order dismissing a \$110,000 lawsuit against a government secret agent will be appealed to higher courts, attorneys here indicated last night. Yesterday, Federal Judge Roszel C. Thomsen issued an order, mainly designed to protect government secrets—ending the slander case against a sometime agent of the Central Intelligence Agency.

The agent, Juri Raus, Hyattsville, had been sued two years ago by Erik Heine of Rexdale, Ontario, Canada. Heine, a former leader of Estonians who had emigrated to this country from their now-occupied homeland, accused Raus, another former Estonian leader, of calling Heine a Communist and a Soviet agent. Thomsen's ruling ends the Heine lawsuit unless his attorneys are able to persuade a higher court to reverse the decision.



ERIK HEINE

## Plan to Appeal

Last night, Ernest S. Raskauskas and Robert J. Stanford of Washington, Heine's lawyers, said they would promptly file an appeal with the 4th U.S. Court of Appeals in Richmond. The grounds for their appeal will be determined after they studied Thomsen's decision, they said.

They indicated they would go directly to the higher tribunal without first asking Thomsen to reconsider.

Reached by telephone at his Ontario home, Heine said he was "disappointed" in the judge's ruling, but vowed to appeal it. So far, he said, his case has cost him between \$7,000 and \$8,000.

Thomsen ruled against Heine on all aspects of his lawyers' arguments. In the main, his decision reflected a worry that, if the Heine lawsuit were permitted to go to a trial, it might bring out more government secrets than the CIA thinks could be safely revealed.

The case has been heard only by the judge. If he had decided against dismissing it, it would have gone to trial before a jury.

The object of a trial would be to decide if Raus had called Heine a Communist and a Soviet agent, whether such charges are true or false, and whether Raus should be punished if the jury decided in Heine's favor.

## Judge's Ruling

But the judge ruled, "A trial would not resolve the question of the truth or falsity of the charges, because the court would still be required to recognize the privilege asserted by the United States (government)."

The government, through the CIA, had claimed it has a "privilege against disclosing state secrets."

That privilege, Thomsen said, was based on a federal law designed to safeguard government secrets. It was also based on the authority of the CIA and its director to protect "intelligence sources and methods from unauthorized disclosure."

Even while claiming the privilege, the CIA had several times filed affidavits in the Heine case giving data about its relationship with Raus and his role in making accusations against Heine.

The CIA admitted that Raus was an employe of the agency and had been given orders in 1964 to spread the word that Heine was a "dispatched Soviet intelligence operative, a KGB agent." KGB is the Soviet secret policy agency.

Raus' job of discrediting Heine followed Heine's gain of popularity among Estonian emigrants in this country and Canada. Heine had been making a tour in Europe, vigorously attacking Soviet "freedom fighter."

With Heine apparently moving toward leadership in the Estonian community, the CIA put Raus to work, according to one of its affidavits, in order to protect "the integrity of the agency's foreign intelligence sources."

## "Valuable Source"

Yesterday, Thomsen found that "emigre groups from nations behind the Iron Curtain would be a valuable source of intelligence information as to what goes on in their old homeland."

He added that "activities by the CIA to protect its foreign intelligence sources located in the United States are within the power granted by Congress to the CIA."

Thomsen said he had examined some secret papers submitted to him by the CIA to help prove that CIA had authority to do what it had done. However, the judge said he had not relied on them in deciding that CIA did have the authority.

After the CIA made its disclosures about Raus' role, it refused pleas by Heine's attorneys that it make more data available on that subject. It said it "would be contrary to the security interests" to say any more.

The federal judge said that "if Raus makes further disclosures without the approval of the CIA, he would not only be

# ler Suit

violate the secrecy agreement (that he made with the CIA in 1963) but might also violate the statute prohibiting unlawful disclosure of confidential information respecting the national defense.

Besides relying on the secret-protecting "privilege" of the CIA, Thomsen also based his decision on a privilege that Raus had claimed:

That was an "absolute privilege" against defamation lawsuits like Heine's. The privilege extends to government officials for acts done in carrying out their official jobs, the judge ruled. This privilege was upheld by the Supreme Court in 1959, he concluded.

## Cites Dilemma

Raus is entitled to the privilege, Thomsen held, because he was "acting within the scope of his employment by an agency of the United States." The judge turned aside several arguments by Heine's lawyers that Raus did not hold the kind of government post that entitles an official to the privilege against slander suits.

Thomsen also held that the CIA did not need to disclose the name of the person who gave Raus the specific orders to discredit Heine.

The judge said that he was faced by a "dilemma," and that this "dilemma" would still be present if the case went to trial.

That dilemma, Thomsen said, was caused by the fact that Raus, under his own promise of secrecy and under the CIA's refusal to let him say more about his role, would be precluded from testifying to facts, and from calling witnesses who might establish the truth of the alleged defamatory remarks.

That being so, the judge said, it was a case of choosing between requiring Raus "to stand weaponless before his adversary," or to deny Heine "the opportunity to attempt to vindicate himself in court."

Since, the judge said, "no way to avoid choosing between two evils has been suggested or discovered," he was forced to choose to deny Heine the chance to press his lawsuit.

WASHINGTON POST, 9 Dec 66

## *Slander Suit Against CIA Agent Killed in Interest of U.S. Security*

BALTIMORE, Md., Dec. 8 (AP) — A slander suit filed against an agent of the Central Intelligence Agency was dismissed on a motion for summary judgment today after a Federal judge ruled that the agent could not be forced to testify.

The suit was filed in 1964 by Eerik Heine, 46, of Rexdale, Ontario, against Juri Raus of Hyattsville Md.

Heine sought \$10,000 in compensatory damages and \$100,000 in punitive damages, claiming Raus slandered him by calling him an agent of the Soviet secret police.

Raus contended that he gave the information about

Heine at a meeting of the Legion of Estonian Liberation in New York. He said he did so in his capacity as a CIA agent and at the Agency's instruction.

The Agency refused to allow Raus to testify, saying it would not be in the best interest of the country.

In his decision today, Chief Judge Roszel C. Thomsen of U.S. District Court said the Court "concludes that activities by the CIA to protect its foreign intelligence sources located in the United States are within the power granted by Congress to the CIA.

Judge Thomsen said that Deputy CIA Director Richard

Helms, in an affidavit, stated "that it would be contrary to the security interests of the United States for any further information pertaining to the use and employment of Juri Raus by the Agency in connection with Eerik Heine to be disclosed . . .

"It is clear, therefore, that if Raus makes further disclosures without the approval of the Agency, he would not only violate the secrecy agreement (which he signed upon taking a position with the CIA), but might also violate the statute prohibiting unlawful disclosures of confidential information respecting the national defense," Judge Thomsen said.

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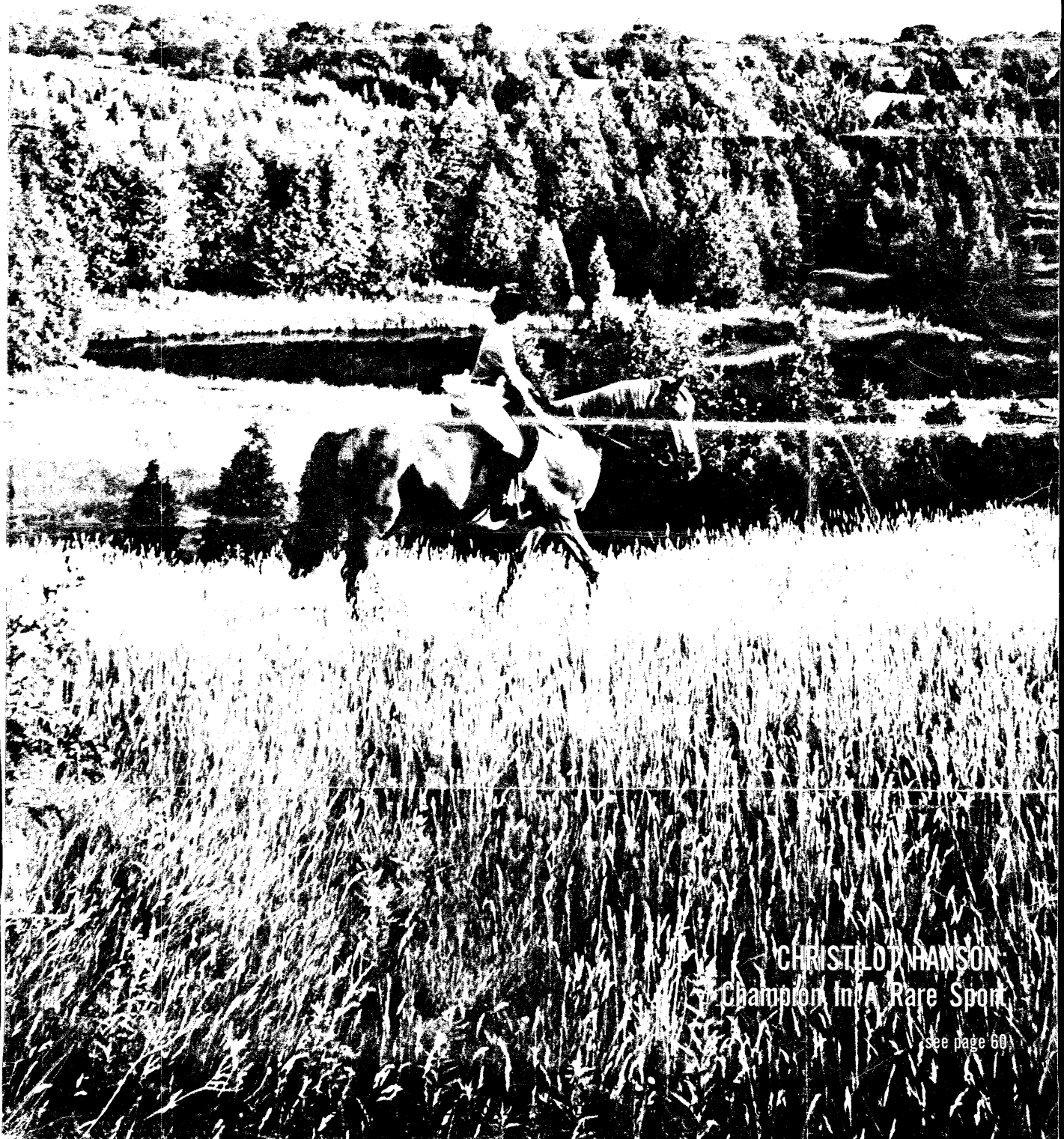
# THE TELEGRAM

TORONTO

# WEEKEND

VOL. 16, No. 42

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CHRISTLOP HANSON  
Champion in A Rare Sport

(see page 60)

Eerik Heine

First of Two Parts

# A CANADIAN VERSUS THE U.S. SPY MASTERS

Eerik Heine, of Toronto, is fighting the C.I.A. which has branded him a Soviet agent. And he has launched a slander suit to save his name

By Robert McKeown  
Weekend Magazine

CHIEF JUDGE Roszel C. Thomsen, of the Federal District Court in Baltimore, Md., is a grey-haired man with a kindly appearance and a reputation as a scholarly and thorough jurist. To him fell the task of making a decision of international importance in a slander case that has drawn more comment than any he has dealt with.

At issue is whether a Canadian citizen may have his reputation damaged by being branded a Soviet spy and without having a chance to clear his name in court.

On the one side is Eerik Heine, a Toronto man considered by many Canadians and Americans of Estonian origin to be one of Estonia's great anti-Communist partisans and war heroes.

On the other is the United States Central Intelligence Agency (C.I.A.) and its agent, Juri Raus, an Estonian-American who is Heine's accuser.

Heine has asked a judgment of \$110,000 against Raus for the damage done to his reputation by the alleged slander. Raus has claimed absolute privilege to make the statements because he is a C.I.A. agent.

There have been strong comments on the Heine-Raus-C.I.A. case in the Canadian House of Commons, the United States Congress and newspapers and magazines. It has provoked speeches and editor-

ials highly critical of the C.I.A.'s claim that it has the privilege to commit slander in the course of duty.

It has split the Estonian communities in Canada and the U.S. into those who believe firmly that Heine has been falsely accused and those who claim the C.I.A. would never make such a charge unless it were soundly based.

It has also caused critics of the C.I.A. to cite numerous occasions in which it has appeared guilty of faulty judgment, irresponsibility and acting as if it were above the law.

It has also brought to light Heine's personal story of his war against the Soviet Union — a narrative that can have few equals in the annals of World War II. This story will be told in Weekend Magazine next week.

Without a complete revelation of the grounds on which the spy charge was made it is impossible to state whether or not the C.I.A. has secret information that can have few equals in the annals of a Canadian citizen. But a close study of all available documents, such as I have made, leads to the conclusion that this case may go far beyond the truth or falsity of the charges.

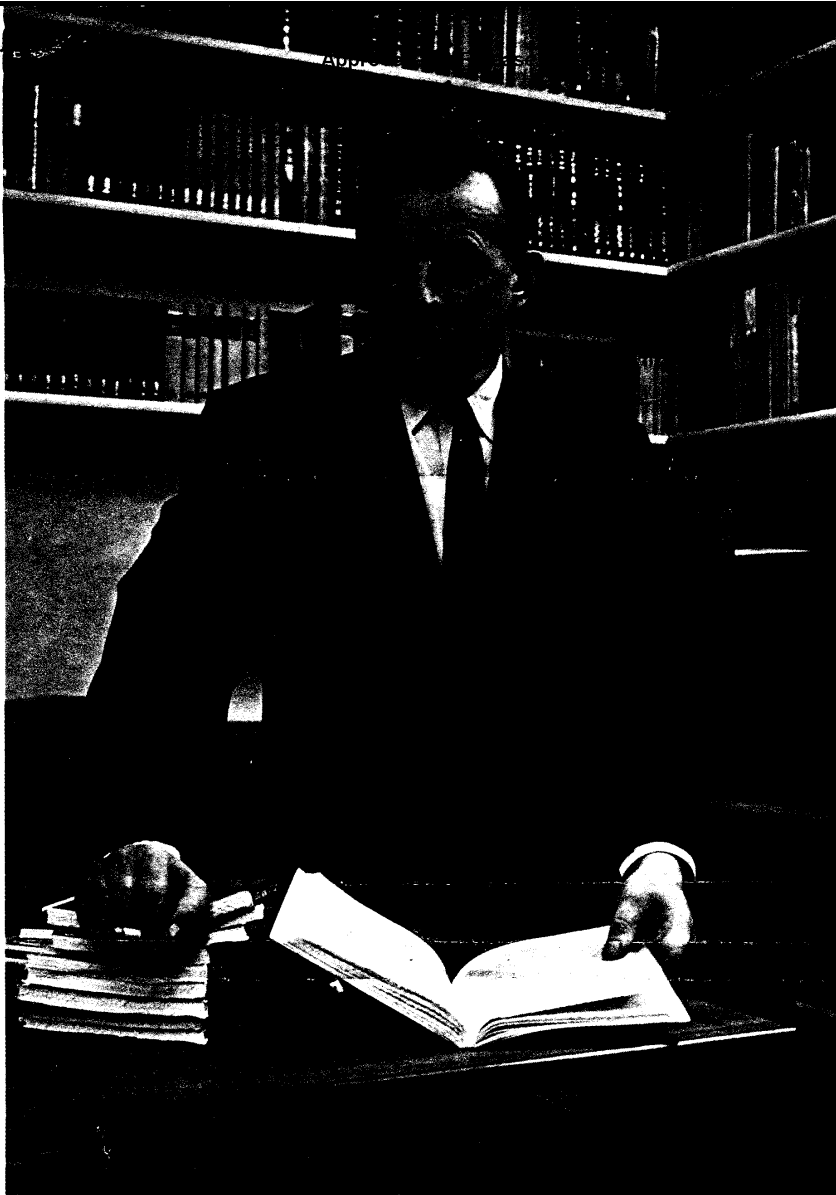
For one thing, it may involve the long-standing

rivalry between the C.I.A. and the Federal Bureau of Investigation (F.B.I.). This has been so intense at times that it is said members of these organizations who shake hands always count their fingers afterward.

As well, it seems certain that the C.I.A. has been forced reluctantly into the suit after misjudging the outcome of its decision to have Raus charge Heine before Estonian organizations in the United States



The case is in the hands of Judge Thomsen (L). Heine is seeking \$110,000 damages from Raus (R) for loss of reputation in the alleged slander.



*Erik Heine is considered by many to be a great Estonian anti-Communist partisan and war hero.*

## Why?

Though some Estonian-Canadians believe that "where there is smoke there is fire", others hold that Heine is the victim of some terrible mistake or plot. Here are some of the theories given to explain why a man believed to be an ardent patriot, has been called a spy:

- The C.I.A. has made a gross error and now is trying to cover up.
- Some of the details of Heine's story do not check with the information on the C.I.A.'s files, therefore the C.I.A. assumes that Heine is lying.
- Heine's personal story is so amazing that the C.I.A. has decided it is untrue and must have been fabricated for some sinister purpose.
- Soviet intelligence is expert at planting false information for its own purposes. In this case it has set up a situation which pits two anti-Communist organizations, the C.I.A. and the Estonian liberation forces, against each other. Whatever the outcome, it stands to gain.
- Heine admits to having tried to communicate secretly with some of the former guerillas, still in Estonia, with whom he fought in 1946-50. His messages have been intercepted by the C.I.A. and their purpose has been misinterpreted.
- Heine's efforts aimed at the liberation of Estonia are opposed to ideas of peaceful coexistence, officially sanctioned by the governments of the U.S. and U.S.S.R. Accordingly this means has been used to try to silence him.

with being a spy for the Russians.

There are many signs that the C.I.A. has been uneasy over the case. Heine filed suit for slander in November, 1964. Yet it was not until late December, 1965, that C.I.A. director William F. Raborn, now retired, admitted in an affidavit that Raus had been acting on the C.I.A.'s instructions.

No cause for the delay has been given. Raus's lawyers have told the court that they wished to es-

tablish earlier the C.I.A.'s connections with Raus to claim absolute privilege in the suit, but the C.I.A. would not agree.

Also, Raus's lawyers have admitted that an effort was made to settle the case out of court. No explanation has been made as to why a man accused of spying should receive a financial settlement from his accusers.

Nor has any reason been given for the employment of private detectives to interview Heine's acquaintances, friends, and relatives. One of these investigators, Thomas W. LaVenja, of Washington, D.C., was questioned in court and admitted the assignment.

However, Raus's counsel successfully parried efforts to elicit details of his activities. A New York Times report suggested that the employment of a private detective "raises questions regarding the validity of the C.I.A.'s charges."

Perhaps the calmest person in all of these proceedings is Heine, 47, a serious man who confesses, "I don't smile much." He also says, "I am not a person who frightens too easily." He seems to be finding satisfaction in facing his accusers and trying to obtain vindication.

Heine (pronounced Hay-neh) emigrated to Can-

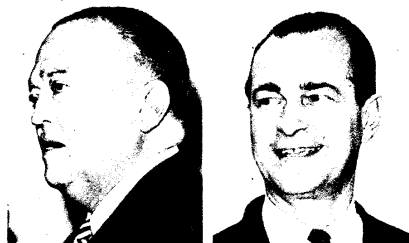
ada from Germany in 1957 after being released from a Russian labor camp the previous year. According to a deposition taken by the lawyers for his accuser, he had spent the previous 16 years either fighting for the liberation of Estonia, or under interrogation, torture and slave labor in Soviet prisons.

Today he has the scars of wounds on his body. He has lost all but five of his teeth as a result of beatings and malnutrition. On first coming to Canada he had a spot on his lung which delayed him in obtaining landed-immigrant status.

After reaching Toronto in April, 1957, he lived with his mother, who had come to Canada with her husband, now dead, in 1952. He first worked as a laborer for a firm making bottoms for chairs, later became factory foreman for a Toronto woodworking company. Late that year he married Elsa Varres whom he had known at school in Estonia.

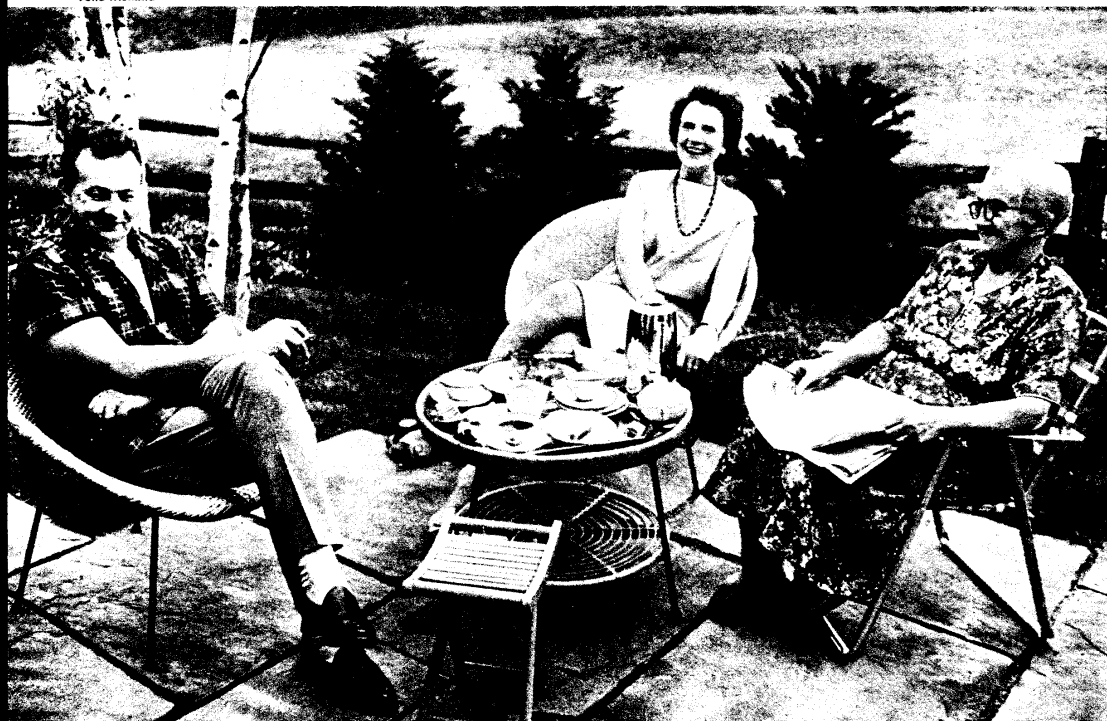
Canadians of Estonian origin are not split into anti-Communist and pro-Communist organizations. Estonia was twice invaded by the Russians in World War II and is today part of the Soviet Union. Because of the jailings, deportations and executions of patriots which are known to all Estonians, it is nearly impossible to find a Communist among them.

*Continued on next page*



*The case may involve a long rivalry between the F.B.I., headed by J. Edgar Hoover (L), and C.I.A., led by its director Richard Helms (R).*

Vello Muikmo



Heine and his wife and mother relax on the patio of his home in Toronto suburb of Etobicoke. Heine says he doesn't frighten very easily.

## EERIK HEINE

*Continued from preceding page*

Heine's rabidly anti-Communist views soon became well known. He became active in the Estonian War Veterans' Association and was its chairman in 1960. In 1959 he became a member of the Estonian Central council, elected from all Canada; in 1963 he headed the council poll and was elected vice-chairman. He was active in the Estonian Boy Scouts, where he was a member of a group that built campsites for younger boys. And he was in demand as a speaker.

Word spread of Heine's accounts of guerilla activities in Estonia between 1946 and 1950, in which he was a leader. He also told of the bleak life he had led in Russian labor camps between 1950 and 1956. He was invited to speak to many groups in Canada and the United States.

Using his savings and borrowing from his mother and the Estonian Credit Union, he made a 2½-hour film depicting the guerilla's life. The film was shot, using amateur actors, at locations in Ontario's Muskoka woods and on the farm of an Estonian-Canadian. Indoor scenes were taken in the cameraman's basement. The total cost was between \$9,000 and \$10,000, of which Heine still owes some \$1,900.

Heine took his film on cross-country lecture tours here and in the U.S., partially defraying the cost by admission fees, though the bulk of the money raised went to Estonian charities. Finally he donated the film to the Estonian War Veterans' Association in Germany. But first he sent it to be used by Estonians in Sweden to act as counter-propaganda during a visit there by Nikita Khrushchev, then Soviet Premier.

Heine was one of the foremost conservatives in the Estonia community. He has been quoted as calling himself "a Goldwater man."

He helped raise money for Radio Free Europe and to publish books on the perils and dangers of

## The C.I.A.

The United States Central Intelligence Agency is almost as widely discussed and criticized today as are its Russian counterparts. From its start in 1946 as the Central Intelligence Group, it has had many notable successes — and several widely-publicized failures. They include:

The disastrous Bay of Pigs invasion of Cuba.

The support of Ngo Dinh Diem, later assassinated, as the head of a tyrannical and corrupt government in South Vietnam.

The support provided to Chinese Nationalist forces in Northern Burma, which have proved such a nuisance they have alienated the Burmese against the Americans and driven them closer to Red China.

The denials issued about a U-2 plane shot down over Russia, and the later revelation that it was on a spying mission.

*These are just a few of the occasions in which the C.I.A. has made mistakes. But it also has many intelligence coups to its credit.*

It detected the installation of Soviet missiles in Cuba.

It overthrew the pro-Communist Arbenz government in Guatemala.

It tapped the telephone lines to Soviet military headquarters in East Germany.

It had a C.I.A. man installed as a top adviser to Gamal Abdel Nasser in Egypt.

It had, in Col. Oleg Penkovskiy, a spy shared with the British, an agent with access to secrets in the Kremlin.

It cannot be assumed that the C.I.A. always blunders, neither that it is infallible.

Communism. He tried to get backing for his pet project — the floating of propaganda balloons into Estonia from Sweden.

It was during his visits to the United States in 1963 that Heine started to hear rumors that he was being called a spy. The first intimation came in Detroit when he received a letter from a friend in Lake Geneva, Wis. United States government agents, whom Heine's correspondent assumed to be from the F.B.I., had been in the area asking questions about him.

As time went by the rumors became more frequent. He heard them in almost every city he visited. But it was during a visit to Los Angeles that Heine learned that Raus, chairman of the United States Committee of the Legion of Estonian Liberation, was connected with the statements being made about him.

Raus, now 39, had emigrated to the United States in 1949 at the age of 22. He had served in the U.S. Army, graduated from college in 1956, joined a reserve army unit and reached the rank of captain.

On May 29, 1963 — about the time Heine started to hear the rumors — Raus signed an oath of secrecy with the C.I.A. In the summer of 1965 he took a course at an intelligence school. For the past few years he has been employed by the Bureau of Roads in Washington, though this job may simply be the cover for his C.I.A. work.

It seems that Heine at first acted as if the rumors were the figments of someone's imagination and tried to ignore them. When he learned that Raus was the source, he wrote to a man named Krabbe in Washington, who was reputed to be Raus's best friend, and suggested he "put some sense into his mind."

When the rumors continued and Raus made the charges before a meeting of the New York branch of the Legion of Estonian Liberation, Heine sought legal advice. First a lawyer wrote to Raus giving him a chance to apologize and retract. When no retraction was obtained, a Toronto lawyer wrote to the F.B.I. in Washington denying the charges.

*Continued on page 6*



## EERIK HEINE

*Continued from page 4*

"Mr. Heine is willing to answer any questions under oath connected with the matter aforesaid and submit himself to a lie detector test if you so desire," the lawyer said.

At this point Heine thought the F.B.I. was behind the inquiries being made about him among Estonians. Raus on several occasions had told his listeners that if they doubted his word they should "contact the Federal Bureau of Investigation."

In his reply to the letter from Heine's lawyer, J. Edgar Hoover, F.B.I. director, said the bureau did not issue clearances or non-clearances. But he made it clear that the F.B.I. had not originated the charges.

"... you may rest assured that this Bureau has not released any information which could be the basis for the alleged charges against him," Hoover wrote to Heine's Toronto lawyer.

This may or may not have been intended as a rebuke to the C.I.A. But the F.B.I. director can not have been entirely happy to learn the C.I.A. had placed agents among immigrant groups where his men were already at work.

In the United States internal security is strictly the domain of the F.B.I. The C.I.A. is forbidden to get involved in it.

The suggestion that the C.I.A. had uncovered what it charged was "a K.G.B. [Russian secret] agent" in such a group despite the F.B.I.'s vigilance might be taken as a reflection on the F.B.I.'s efficiency.

C.I.A. director Richard Helms (then deputy director) seemed to take the trouble to establish a connection between Raus's denunciation of Heine and foreign intelligence. He did this in an affidavit filed with the court a year after Heine started the slander proceedings.

"The purpose of this instruction [to Raus] was to protect the integrity of the Agency's foreign intelligence sources, existing within or developed through such groups, in accordance with the Agency's statutory responsibility to collect foreign intelligence," Helms said.

Helms's intervention in the case, in the form of a series of affidavits establishing Raus's connection with the C.I.A., came late in 1965. Up to that time, as far as the documents in the case were concerned, Raus appeared to have made the charges on his own initiative. Now it was possible to argue that Raus had made the statements he did about Heine in line of duty — and was privileged under law to do so.

This argument is based on a U.S. Supreme Court ruling of 1959 that officers of the government had immunity to libel suits that arose from their official duties. Raus could also argue that as a member of



Heine listens to lawyers Ernest C. Raskauskas, left, and Robert J. Stanford, right, after a pre-trial hearing in federal court at Baltimore.

## Unanswered Questions

Why did the C.I.A. try to settle the slander suit out of court by making a financial settlement with Heine?

\* \* \*

Why has no one taken Heine up on his offer, made to the Federal Bureau of Investigation, to take a lie-detector test?

\* \* \*

Why did Heine receive Canadian citizenship, which involves a security check, after the spy charges had been made?

\* \* \*

Why would he be allowed to move freely in the United States if he were a Soviet spy, as the C.I.A. has alleged?

the C.I.A. he had taken an oath not to make unauthorized disclosures relating to his duties.

While Judge Thomsen pondered how these matters stood with the law as he saw it, there were many questions to which the answers were not apparent:

If the C.I.A. believed Heine to be a Soviet agent, why did it not have him followed to establish who his contacts were, and then make arrests and lay charges?

Alternatively, why was he not approached and asked to serve as a double agent, as is the custom in such cases?

Since Heine is a Canadian and lives and works in Canada, why was the case not handed over for action by the Royal Canadian Mounted Police?

It is interesting that when Raus was making his charges in the U.S., Heine was applying for Canadian citizenship.

There seems little doubt that the R.C.M.P. made its usual investigation for security clearance. At its disposal it would likely have information from both the F.B.I. and C.I.A. (It is sometimes said in police circles that the two U.S. agencies will give the R.C.M.P. information that they would not entrust to each other.)

There is no way of knowing exactly what were the R.C.M.P.'s findings. But Heine was granted Canadian citizenship in August, 1964, long after Raus had said he was a spy.

At one of the hearings, Heine's counsel wondered why, if Heine were a Soviet agent, he was not simply stopped at the Canadian border and barred from the United States. Heine has on many occasions offered himself for arrest in the U.S., but no action has been taken against him.

"The inference from the facts is irresistible — that there was not enough evidence even for an indictment let alone a conviction, and at least an indictment would have given the plaintiff an opportunity for vindication," said Ernest C. Raskauskas, Heine's counsel.

"Therefore, these slanders against the plaintiff were part of a deliberate and calculated design to destroy without proof, and no agency has ever been given such powers by statute in the history of the United States, unless it is ruled herein the C.I.A. has."

As this was written, Judge Thomsen in Baltimore had still to rule whether Heine's slander suit would go to trial. Whatever the judge's decision, the United States Supreme Court seems likely to have the final word.

**NEXT WEEK:** The story of Eerik Heine's personal war with the Russians.

J. v. R.

Eerik Heine

SECOND OF TWO PARTS

# ONE MAN'S WAR AGAINST COMMUNISM

This is how Eerik Heine tells his story in reply to the American charge that he has served as an agent of the Russians

By Robert McKeown  
Weekend Magazine

Illustrations by Ed McNally

*Is Eerik Heine a patriot or a Soviet spy? Friends of the Estonian-born Torontonians believe he is a patriot, a man who fought against Soviet rule in his homeland, a man who continued his anti-Communist crusade after he came to Canada. But Juri Raus, an Estonian-American agent of the U.S. Central Intelli-*

*gence Agency, has called Heine a Soviet spy.*

*Heine, to protect his name, has launched a slander suit against the C.I.A. in a U.S. court.*

*Last week the background of the case was given. This week, in the second of two parts, the story of Heine himself is told.*

2  
EERIK HEINE'S war with the Russians started on a June 20, 1941, when German troops invaded Estonia, marched into his home town of Tartu, and ran up the red flag.

Like many Estonians, Heine, who was 20 at the time, was an ardent patriot. At first he led the youth branch of the resistance in Tartu, then travelled throughout the country to organize other groups.

One of his projects was to persuade young people to wear in their lapels the Estonian colors of blue, black and white as a silent protest against the Soviet occupation. Once when he was distributing the ribbons in the street, a pro-Communist official screamed for a policeman to arrest him. The Estonian policeman did — and then released him around the nearest corner.

(The policeman now lives in the United States. He is Valdemar Kunnappu, of Baltimore, Md.)

This was to be the first of a series of clashes with Soviet authorities that was to last for 16 years. The second came a few weeks later at the city hall in Tartu.

For Heine the red flag hanging from the tower in the city hall became a symbol of his country's subjection by the Russians. Together with two of his friends he decided to pull down the flag and restore the Estonian tricolor.

Heine and his friends reached the tower but found it locked. They tried to batter down the door but Communist officials in the city hall fought with them and pulled them away.

Somehow word of what was happening spread to the streets and hundreds of people gathered around the building. Spontaneously the crowd broke into the Estonian national anthem. It sang with such fervor that, as Heine has recalled, "those Communists were struck with terror."

Heine and his friends used this moment to break away and escape, but Erik was not to be free for long. While he was in hiding in a town about 20 miles away, word reached him that he had been recognized and that his mother and father were under arrest in their own house. Since they were being held as hostages against his return, Heine returned home and was arrested as he entered the door.

He was handcuffed and taken first to N.K.V.D. (secret police) headquarters and then to the Tartu prison. Over a period of nine months he was interrogated some 20 to 25 times, beaten and tortured. Twice he was taken to a forest where he was stood at the edge of a grave while members of a firing squad pretended they were about to execute him.

"I waited for when it comes," Heine recalled, "but nothing comes. The second time they even fired but not at me, but to subdue me so that I tell them about these activities they suspected I was part of."

From Tartu he was transferred to a prison in Tallinn, the Estonian capital, where he was in a cell alone for about a month. Then one day he was put in with about 20 prisoners, all of whom were German-speaking Estonians. Soon he learned that although he was Estonian, he was to be sent to live in Nazi Germany.

(One of the 20 prisoners who went to Germany with him is Eric Kattemaaa, of Portland, Ore.)

On the train en route to Germany he learned why Hitler-Stalin agreement was in effect between Germany and Russia and people of German blood in Soviet territory were being repatriated.

Heine's parents were among those who had taken this opportunity to get away from Soviet rule. From Germany they had applied for his release and his group in prison had been exchanged for some German Communist and Jewish prisoners.

He was reunited with his parents at a camp in Southern Germany in May, 1941, and in June the Germans invaded Russia. When Heine learned that an Estonian unit was being formed to liberate his own country, he volunteered immediately.

After a period of training he was sent not to Estonia, but to the Ukraine. The Germans drove the Russians from Estonia without his help, but the puppet government they set up soon called him back from the Russian front.

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## Sentenced to death, Heine gave himself up so that his parents would be spared

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Heine returned to Tallinn in February, 1942, and worked with the Estonian political police. His job was to interrogate Russian and Estonian Communist agents who had been captured by the Germans. He was later to be sentenced to death by the Russians for his involvement in the interrogation of Neeme Ruus, an Estonian who had served as Minister of Welfare in the pro-Russian government in Estonia, who was dead.

In August, 1942, he went to Poland with an Estonian Legion formed as part of the German army. In May, 1943, after finishing his training, he was sent to a German officers' school at Bad Toltz, Germany. In February, 1944, he graduated with the rank of second lieutenant and was sent to the front against the Russians at Narva in Estonia.

(Two of those who attended Bad Toltz at the same time are Olaf Tanmark, who now lives at Lake Geneva, Wis., and Fred Prentsel, of Albany, N.Y.)

At Auvere in April, 1944, his battalion was involved in a three-day battle in which it lost half of its men. Heine suffered a surface wound on the skull and a more serious wound in the thigh. He was evacuated to hospital in Tartu, but left soon again without permission to rejoin his battalion.

Heine returned to find the battalion in reserve with only about one-third of its strength remaining. Reinforced by more of their countrymen, the unit was thrown into the northern front in Estonia to try to stem the Russian tide that was now rolling up.

What followed was disaster. A German unit on the

left of Heine's battalion pulled out at night without informing the Estonians. In the morning they found themselves surrounded by Russians. Tanks ran over their front lines and the rest was annihilation.

With two other men and under fire, Heine ran across a potato field and into a wood. Finally they made their way to a partially-destroyed bridge across a nearby river.

They were crossing the bridge when German planes returned to bomb it again. The bombs fell so close that Heine suffered a concussion and lost consciousness.

When he came to he found himself surrounded by Russians.

The date of his capture was Aug. 29, 1944. He spent a few weeks in a prisoner-of-war camp near Tartu and later was shipped to another near Moscow

where he was housed in barracks close to an old monastery.

Once he was taken to the guard house by N.K.V.D. soldiers and beaten until he felt half dead. The same treatment was given to other Baltic prisoners at the camp, all of whom were regarded as traitors to the Soviet Union.

In December he was sent to a camp for political prisoners at Kisela in the northern Ural Mountains. There he worked in a coal mine for 12 hours a day using pick and shovel at the mine face.

At the mine with him was one of the other prisoners from Moscow, Napoleonus Cernius, the son of a Lithuanian general. Heine describes Cernius as "the best friend in my life."

Cernius and Heine planned their escape together, first exchanging their army clothes for those of civilian workers. In the end the Lithuanian never made the attempt—he was too weak from hunger, scurvy and overwork.

However, on a March night when a blizzard was blowing, he helped Heine through the first two of a series of barbed-wire fences that surrounded the camp. The pair said goodbye and parted. Heine has never heard of him since.

By stealing food and stowing away on freight and passenger trains, Heine made his way across Russia to Leningrad. For days at a time he had nothing to eat.

At length he reached the outskirts of Leningrad. He was circling the city on foot to avoid the checkpoints when he saw what appeared to be an unbelievable sight—men unloading loaves of bread from a truck.

## Heine escaped from the prison camp, but his hunger forced him into the hands of the Russians again

At this point Heine had not eaten for three or four days. He went mad at the sight. He grabbed a couple of loaves and staggered weakly off—into the arms of two policemen who were coming around the corner.

At this time there were many escaped prisoners of war wandering about and the local police were glad to get one more to add to the manpower of their own district. Heine worked at cleaning up the ruins of destroyed Leningrad factories until he was shipped back to a camp at Tallinn at the end of 1945.

Heine had been calling himself Hein, omitting the final "e" from his name, in the hope that no connection would be made with his Estonian youth and political-police activities. At his first

interrogation in May or June, 1946, he also changed his age and added 15 years to his real age. But because so many people in the camp knew who he really was, he decided he would have to escape before he was uncovered.

His chance came when he was working at a sawmill near the camp. After stealing civilian clothes from another prisoner, he managed to slip out among the mill workers as they went off duty.

Within a few days he had joined a guerilla group of nine men and one woman led by a former Estonian army captain, Endel Parks, in the district of Jarvamaa.

For the next four years, from 1946 to 1950, Heine lived and fought with the guerillas in Estonia. He believes there were perhaps 5,000 guerillas in all when he first arrived, operating in small units. Their band had contact with a few others and co-operated with them.

His most spectacular exploit was in 1947 when he went alone by plane, train and boat to Siberia and brought back a man, three women and two children, all Estonians who had been deported some years before. Heine carried false papers identifying himself as a ballet dancer bound for Novosibirsk to give a performance. He bought black-market train tickets, used forged passports, bribed officials and got his human cargo back safely to Estonia.

(In Toronto Heine met an Estonian with the same name as the man he had brought back from Siberia. It turned out that they were brothers. In a carefully-worded letter the Toronto man sent his brother the news that Heine was in Canada. The man in Estonia replied, sending his regards to "Eerik, old savior.")

Heine's guerilla activities came to an end late in 1949. By that time only he and one other man of the original band were left.

On a December night Heine and his last comrade-in-arms, a man named Vainomae, decided to leave their forest bunker and go to a nearby town to visit some girls they knew. Heine was to go first, Vainomae was to follow.

Heine visited his girl and in the morning heard via the peasant grapevine that a man had been killed in a gun fight. It was Vainomae.

Heine stayed in hiding in the town for another six months before deciding to try to escape over the border into Finland, where he planned to seek asylum at the U.S. Embassy. En route he went to pay a final call in Tallinn, where the great song festival, held every four years, was in progress.

Sitting on the grass at the festival, he met a former schoolmate named Joab.

After about half an hour, Joab excused himself to go to the washroom. He returned about 15 minutes later and almost immediately four men pounced on Heine from behind and bore him off to the Tallinn N.K.V.D. headquarters.

There Heine was tortured and interrogated as never before. He was questioned about 25 or 30 times, usually at night and for periods up to 12 hours.

It soon became clear that his interrogators knew his real identity. They showed him papers he had signed in 1942 during his period with the Estonian political police. One of these dealt with his interrogation of the former pro-Russian Welfare Minister, Neeme Ruus, whom the Germans had executed. He had to admit that the signature on the paper was his own.

Three months after his capture Heine was informed he had been sentenced to death. This was later—early in 1951—changed to 25 years of

After brief periods in other prisons in Tallinn and Leningrad, Heine was taken to a slave-labor camp at Archangel in the Soviet Arctic. He spent the next five years in various camps in the area, usually employed cutting trees.

(Men who spent periods in these camps with him are Edvin V. Eulenburg, Burchard Schidlovski, and Karl Brett, for all of whom he has given detailed addresses in West Germany).

In January or February, 1956, Heine and all the non-Russian prisoners in the camp were put aboard a cattle car and taken to a camp at Potma, about a day's travel from Moscow.

"You can rejoice," one of the guards told them. "You are going home."

ON Oct. 20, 1956 — more than 16 years after his arrest as a schoolboy when the Russians first invaded his country — Eerik Heine walked as a free man once again. On that day he was driven through the Brandenburg Gate into West Berlin and flown to Friedland in West Germany.

Within two months of his arrival in Germany, Heine had tracked down his mother, who was now living in Toronto. In April, 1957, he went to Canada on a visitor's visa and two years later achieved status as a landed immigrant.

While working in Toronto in 1963, and giving anti-Communist lectures to Estonian groups in Canada and the United States, he learned that he was being condemned by a fellow Estonian, Juri Raus, as an agent of the Russian secret police. And his real accuser, as it turned out, was the C.I.A.

"If indeed the plaintiff [Heine] is an innocent law-abiding citizen, a dedicated fighter for his homeland, if he is a person who has all his life opposed the Soviet conquest of his homeland and has fought Soviet principles and something has been said of him to damage his reputation, it is indeed a monstrous thing that has happened to him.

"On the other hand, if this man posing as a freedom fighter, posing as an Estonian partisan against Soviet rule in his homeland, if he has in fact been a Soviet agent, then what has happened to him is no more than any American, I think, would believe his just deserts."

The man who spoke these words in court in Baltimore not long ago was Paul R. Connolly, counsel for Juri Raus, the man accused by Heine of slander.

So far there is no way for the public to determine if this is "a monstrous thing" or "just deserts." Counsel for the C.I.A. and Raus have argued that they do not have to provide proof for the statements made and that under the law they have the privilege to make them.

" . . . Any rule which might impose liability on the defendant in this case would expose every agent of the C.I.A. throughout the world to the peril of adverse judgment in a law suit against him," the C.I.A. has said.

Both sides have said they will appeal an adverse decision to the Supreme Court.

For Eerik Heine, a serious and unsmiling man, it would seem that a kind of war will continue for quite a time to come. ◀

SEP 29 1956

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### Can an Agent Be Sued

## Ruling Set in CIA Case

A Baltimore Federal Judge is again pondering whether to throw out a \$110,000 slander suit against a CIA agent who is charged with calling a former Estonian freedom fighter an agent of the Soviet secret police.

Judge Roszel Thomsen said yesterday that he had heard enough argument in the case and that it was time for him "to step in and ring the bell," by preparing an opinion on the unusual issues involved.

Erick Reine has charged CIA agent Juri Raus, also of Estonian origin, with slader

for calling Mr. Heine a member of the K.G.B., the Soviet secret police, thereby ruining Mr. Heine's career as an anti-communist lecturer.

The defense has not denied the statements were made, but instead has contended that Mr. Raus was privileged to make them as a Government agent.

Mr. Heine's lawyers hotly claiming it is unfair to deny them the right of law suit or even deny them the right to cross-examine.

EVENING STAR, 29 Sep 66

# Heine Case Hearings End

By ORR KELLY  
Star Staff Writer

BALTIMORE—Chief Federal District Judge Roszel C. Thomsen has taken under advisement the question of whether a CIA agent who slandered a fellow Estonian emigrant should be granted immunity from a slander suit because he was working for the government.

During a three-hour hearing yesterday, there was no clear indication from Thomsen which way his ruling would go—or how soon it would be delivered.

If he rules in favor of the defendant, Juri Raus, a 39-year-old Bureau of Public Roads engineer, the case undoubtedly will be appealed by attorneys for the plaintiff Eerik Heine, 45, of Toronto, Canada.

If he rules against Raus, then the case will go on to a jury trial in which Raus will have difficulty defending himself because of a secrecy agreement he signed when he went to work for the CIA in the spring of 1964.

## Helped by CIA Aide

Paul C. Connolly, attorney for Raus, who was assisted during the hearing by Lawrence R. Houston, chief counsel for the CIA, argued that the major question is whether Raus was acting within the scope of his employment when he described Heine as a Communist and an agent of the KGB—the Soviet secret police.

In affidavits filed earlier with the court, the CIA has said that Raus was instructed to warn fellow Estonians that Heine was “a dispatched Soviet intelligence operative, a KGB agent.”

In a colorful rejoinder, Robert J. Stanford, one of Heine's two attorneys, accused the CIA of acting like Maxwell Smart, the TV spy, who asks, “Would you believe . . .?” and keeps changing the information he supplies.

Each time the CIA has revealed some information, he said, it has said it could reveal nothing more—and then, under pressure from the court, has supplied a little more.

The CIA has the right to “throw up a glass wall like the old Colgate ads,” Stanford said.

“But it should be too bad for the defendant because he can't get credible testimony, not too bad for the plaintiff,” Stanford said.

Earlier in the hearing, Stanford and Heine's other attorney, Ernest C. Raskauskas, flatly refused to look at a secret National Security Council directive to the CIA, which was submitted by the CIA to show that it was acting legally when it gave its instructions to Raus.

It would be unfair, they said, to look at a document they could not discuss with their client.

Raskauskas, in fact, accused the CIA of introducing an “over-classified innocuous paragraph to control our litigation, to seal our lips.”

Thomsen said he found one question in the case “very, very troublesome”—whether Raus had told a deliberate falsehood by saying that his information about Heine had come from the Federal Bureau of Investigation rather than from the CIA.

## Jumps From Seat

“Did Raus have the right to in fact the FBI had not told him?” the judge asked, almost as though he were thinking out

him this, is he privileged to say something he knows is untrue?”

Raus who had testified earlier that what he said was, “if you don't believe me, ask the FBI,” jumped up from his seat in the spectator section of the courtroom and tried to talk to Connolly while the judge was speaking, but Connolly waved him to his seat.

Later, Connolly told the judge he didn't think the question of whether the FBI had been mentioned was important since the statement was slanderous regardless of where it came from.

Heine, who flew down from Toronto for the hearing, sat quietly behind his attorneys

during the court session.

Before the hearing began, he said that he has been harassed for the past month by abusive, anonymous phone calls from people speaking Estonian.

Friends of his who have adopted his outspoken anti-Communist position, he said, have been bothered by similar calls from people who have said: “We got Eerik Heine and now we'll get you.”

When he received similar calls two years ago, Heine said, he complained to the Royal Canadian Mounted Police and obtained an unlisted phone number. Now, he said, he'll probably get his phone changed again.

WASHINGTON STAR

JUL 1 1966

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# Heine Beaten in Race For Emigre Unit Post

By ORR KELLY

Star Staff Writer

Eerik Heine, accused by an agent of the Central Intelligence Agency of being a "Soviet intelligence operative," has been badly beaten in his campaign for a post on the governing body of Estonian groups in Canada.

It was not clear whether he was defeated because of the accusations against him or because of his identification with the Association of Estonian Nationalists, a militantly right-wing group.

Heine was one of 60 candidates for 35 positions on the governing body of the Estonian National

Council. The election was held in late May and final results have just become available.

## 43rd Out of 60

Heine, who lives in a suburb of Toronto, received 1,113 votes and ran 43rd in the group of 60. The largest number of votes cast for one candidate was 2,608.

The Association of Estonian Nationalists ran a slate of 25 candidates, including Heine, and all 25 were defeated. The association, sometimes known as the Estonian Nationalist party, conducted a vigorous campaign, including publication of four issues of its own newspaper. There was no formal opposition slate.

The election for members of the governing body, which represents the major Estonian groups in Canada, is held every three years. In the last election, before he had been publicly accused of being a Soviet agent, Heine received the largest number of votes cast for any candidate.

## Slander Suit

In a \$110,000 slander suit filed in Federal District Court in Baltimore, Heine has accused Jeri Raus, of Hyattsville, Md., of calling him a Communist and a Soviet agent.

In an unprecedented action, the CIA acknowledged, in affidavits filed with the court, that Raus was acting as a CIA agent under instructions to warn fellow Estonians that Heine was a "dispatched Soviet intelligence operative, a KGB agent."

A further hearing in Heine's suit against Raus is scheduled for the latter part of August. Raus has claimed that he has absolute immunity against a slander suit because he was acting in his capacity as an agent of the government when he made the charges against Heine.



EVENING STAR,  
14 June 1966.

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# CIA Infiltration In Heine Case

By ORR KELLY  
Star Staff Writer

The infiltration of an Estonian emigre group by the Central Intelligence Agency was sharply criticized today by Rep. Seymour Halpern, R-N.Y.

"I do not think the CIA has the authority to covertly infiltrate domestic institutions and groups which may or may not maintain contacts behind the Iron Curtain," he said in a speech prepared for delivery in the House.

"The real or potential assistance which these groups provide in the collection of foreign intelligence matter is essentially irrelevant," Halpern said.

### Sues in U.S. Court

Erik Heine, a 46-year-old resident of Toronto, Canada, has sued a fellow Estonian emigrant in Federal District Court in Baltimore for \$110,000 for falsely calling him a Communist and a Soviet agent. In affidavits filed with the court, the CIA has acknowledged that Juri Raus, 39, of Hyattsville, was instructed to spread the word among Estonian groups that Heine was "a dispatched Soviet intelligence operative, a KGB agent."

"...The fact is that an agent of this agency penetrated an American organization in a clandestine effort to use its resources," Halpern said. "I can't believe that Mr. Raus' intentions were generally known to the legion's (Legion of Estonian Liberation) membership... I strongly object to the propriety of this procedure."

"What business is it of the CIA if an alleged KGB agent is dispatched to spy on the operations of the Legion of Estonian Liberation? Is it the proper province of the CIA to combat his influence within this American emigre community? Certainly not."

"But this can be the unfortunate result if the agency assumes the power of utilizing private, domestic concerns for its own clandestine purposes," Halpern said.

### Scores Article

The New York Republican also criticized the CIA in connection with another case in which a CIA employe contributed an article on "The Faceless Viet Cong" to the magazine "Foreign Affairs."

However, the author, George A. Carver Jr., was not identified as a CIA employe.

"Thus we have an unidentified operative of a secret intelligence society utilizing an influential forum to propagandize the American people. This seems to be a violation of what I would consider the legitimate

OTTAWA, ONTARIO  
CITIZEN

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JUN 2 1966

## Startling disclosure

# CIA does spying in U.S. too

By Bruce Phillips  
Southern News Services

WASHINGTON—The U.S. Central Intelligence Agency, under fire for accusing an Estonian-born Canadian of being a Soviet spy, now claims it was operating under a directive from the top-level National Security Council.

The council, whose head is the president, includes all the high-ranking members of the administration, such as the secretaries of state and defence, the chairman of the joint chiefs of staff and top presidential advisers.

The Canadian is Erik Heine, a 46-year-old Torontonian who was active among Estonian immigrants in Canada and the United States as an anti-Communist lecturer. A CIA agent named Juri Raus, a member of the same groups, accused him of being an agent of the Soviet KGB secret police.

\$110,000 sought

Heine is suing Raus for \$110,000 in a U.S. federal district court in Baltimore, claiming he was slandered by the accusation. The case, which has been going on for nearly two years, resumes next August.

The affair has stirred up considerable controversy in the United States on two grounds: First, the CIA is not supposed to conduct intelligence operations inside the United States, a duty left to the Federal Bureau of Investigation, second, Raus is basing his defence on the argument that he cannot give evidence to support his accusation against Heine without jeopardizing classified security secrets.

The CIA has now moved to head off criticism on the first count. It has filed with the

district court a copy of a secret directive from the National Security Council, giving the CIA authority to involve itself in the affairs of emigrant groups in the United States.

For judge only

The directive is to be seen only by the presiding judge, Roszel C. Thomsen, and the lawyers for Raus and Heine, but its general tenor is disclosed by an accompanying memorandum, filed by Raus's lawyers.

It says: "It is believed that the National Security Council directive no. 2... attached to the affidavit of Lawrence R. Houston, general counsel of the CIA, satisfactorily answers the plaintiff's contention as to the insufficiency of the agency's authority."

In plain words, the council's directive gave the CIA permission to operate inside the country as well as outside.

Raus's lawyers further argued in their memorandum that emigrant groups such as the one to which Heine and Raus belonged were obvious sources of foreign intelligence, because "the Soviet penchant for maintaining a closed society renders it necessary to develop unconventional sources of information, in order to learn of the current geography and topography of Soviet-dominated countries and the social, economic and

political condition of their people."

The memorandum being filed in the Baltimore court is the first indication in the U.S. that not only does the CIA operate inside the country, but that it has acquired specific authority from the top security agency in the government to carry on such activities.

A number of leading newspapers in the United States have already cast a disapproving eye on the CIA's role

in the Heine case.

In the first instance, objections have been raised to the practice of publicly accusing a man of being a Soviet agent and then taking refuge behind secrecy provisions to avoid backing up the accusation.

In the second, there are misgivings about the CIA operating inside the country, with the thought that all of its apparatus of spying and intrigue will be trained on American citizens.

JUN 2 1966

## Judge Clamps Lid On CIA Libel Case

By Stephen S. Rosenfeld  
Washington Post Staff Writer

The case of the Central Intelligence Agency operative who fingered an alleged Soviet spy virtually vanished from public view yesterday.

It was disclosed that a secret National Security Council directive was submitted Tuesday to Federal Court Chief Judge Roszel C. Thomsen in Baltimore and that he locked it in his safe and gave the opposing lawyers access to it but ordered them to refer to it only in papers placed under seal.

"National Security Council Directive No. 2" was submitted for Washington engineer Juri Raus, who on CIA orders called a fellow Estonian emigre a Soviet spy in order to discredit him in emigre circles. The other man, Eerik Heine, now a Canadian, sued Raus for slander.

Heine's lawyers had claimed the CIA had no authority to act within the United States.

In reply, Raus's lawyers submitted a memorandum to the court this week. Citing the CIA's statutory duty of "protecting intelligence sources and methods from unauthorized disclosure." The memo said this duty was discharged by Raus's warnings to his fel-

low emigres about Heine.

The law creating the CIA also charged it with "such additional services of common concern as the NSC determines can be more effectively accomplished centrally."

"Under this specific grant of power" NSC Directive No. 2 was issued, said Raus's lawyers, adding their "belief" that it "satisfactorily answers (Heine's) contention as to the insufficiency of the Agency's authority."

Expanding on previous CIA admissions that emigres are intelligence sources, the memo noted that some members of emigre groups receive fresh information from "friends or family still in their homeland."

The memo said it is "obvious" that Soviet intelligence services want to discover emigres with information about their homeland, the nature and sources of this information, whether the sources could be "polluted so as to impart false information," whether emigres could be "duped or recruited" into Soviet intelligence, and whether emigre groups could be "corrupted" to make them ineffective in anti-Soviet activity.

WASHINGTON STAR

JUN 1 1966

# Heine Case Judge to See Directive on CIA Power

A secret National Security Council directive to the Central Intelligence Agency is expected to be submitted to the court in connection with the slander suit of an Estonian immigrant described by the CIA as a Soviet agent.

Plans to show the court the secret directive were revealed in a memorandum filed in the case by the attorneys for Juri Raus, 39, a Bureau of Public Roads engineer who is being sued for

\$110,000 by Erik Heine, 46, of Toronto, Canada.

The directive is expected to be shown only to the judge and the attorneys in the case. The purpose of showing it to the court is to remove any doubt about the CIA's authority to involve itself in the affairs of emigre groups in this country, according to the memorandum filed by Raus' attorneys, Paul R. Connolly and E. Barrett Prettyman Jr. Heine's attorneys, Ernest C.

Raskas and Robert J. Stanford, have argued that the affairs of emigre groups are a matter of internal security and that the CIA has no business in this area.

"It is believed that the National Security Council Directive No. 2 . . . attached to the affidavit of Lawrence R. Houston, general counsel of the CIA, satisfactorily answers the plaintiff's contention as to the insufficiency of the agency's authority," the memorandum said.

Connolly and Prettyman argued in their memorandum that emigre groups are an obvious source of foreign intelligence because "the Soviet penchant for maintaining a

closed society renders it necessary to develop unconventional sources of information, in order to learn of the current geography and topography of Soviet-dominated countries and the social, economic and political condition of their people."

The Houston affidavit will be the fifth document filed with the Federal District Court in Baltimore by the CIA in connection with the case. In previous affidavits, officials of the CIA have told the court that Raus was employed by the CIA and was instructed to warn fellow Estonians that Heine was "a dispatched Soviet intelligence operative, a KGB agent." Heine has denied the accusation.

MAY 31 1966

## Judge to See Secret Order In Heine Case

By ORR KELLY  
Star Staff Writer

A secret National Security Council directive to the Central Intelligence Agency is expected to be submitted to the court in connection with the slander suit of an Estonian immigrant described by the CIA as a Soviet agent.

Plans to show the court the secret directive were revealed in a memorandum filed in the case by the attorneys for Juri Raus, 39, a Bureau of Public Roads engineer who is being sued for \$110,000 by Erik Heine, 46, of Toronto, Canada.

The directive is expected to be shown only to the judge and the attorneys in the case. The purpose of showing it to the court is to remove any doubt about the CIA's authority to involve itself in the affairs of emigre groups in this country, according to the memorandum filed by Raus' attorneys, Paul R. Connolly and E. Barrett Prettyman Jr.

Heine's attorneys, Ernest C. Raskas and Robert J. Stanford, have argued that the affairs of emigre groups are a matter of internal security and that the CIA has no business in this area.

"It is believed that the National Security Council Directive No. 2 . . . attached to the affidavit of Lawrence R. Houston, general counsel of the CIA, satisfactorily answers the plaintiff's contention as to the insufficiency of the agency's authority," the memorandum said.

Connolly and Prettyman argued in their memorandum that emigre groups are an obvious source of foreign intelligence because "the Soviet penchant for maintaining a closed society renders it necessary to develop unconventional sources of information, in order to learn of the current geography and topography of Soviet-dominated countries and the social, economic and political condition of their people."

The Houston affidavit will be the fifth document filed with the Federal District Court in Baltimore by the CIA in connection with the case. In previous affidavits, officials of the CIA have told the court that Raus was employed by the CIA and was instructed to warn fellow Estonians that Heine was "a dispatched Soviet intelligence operative, a KGB agent." Heine has denied the accusation.

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TARENTUM, PA.  
VALLEY NEWS

23,273  
MAY 26 1966

## Limitations on the CIA

IT is quite probable that President Johnson will be asked to remind the CIA that it is not above the law. An appeal to him is being planned in connection with a case now pending in federal court in Baltimore. It's a suit for damages by a man who charges that he was falsely accused of being a Soviet agent by an employe of the CIA.

The hush-hush agency, however, has refused to allow its employe to make a deposition and it has asked that the case be thrown out of court. Its claim is that the accusation was made under orders and that the employe therefore was speaking for the government which, of course, cannot be sued.

The CIA, like the FBI before it, fears that its secrets might be revealed in testimony under oath. But are CIA secrets entitled to greater protection than the law affords an American citizen? And what of the amaz-

ing implications of the CIA's theory?

Under it, an employe of the CIA or almost any other government agency might be ordered by a relatively minor official to blacken reputations or otherwise violate the rights of citizens. Yet there would be no way of holding the agent or his superior to accountability. There would be no way of assuring a citizen of justice. That's how it is in a police state.

The CIA would not become involved in situations such as this one if it confined itself to gathering information and avoided overt activities at home and abroad. Unless the American philosophy of government is radically changed, federal agents cannot be authorized arrogantly to violate the life, reputation or property of citizens. So if the attitude of the CIA in the Baltimore event is not changed, the courts should unleash the full authority of the law against palpable contempt.

WASHINGTON STAR

MAY 25 1966

In Support of the CIA

SIR: Senator McCarthy of Minnesota was reported in The Star (May 16) to have questioned the usefulness of CIA activities directed against the infiltration of Estonians by Communist agents.

Nearly all Estonians in the United States are citizens of this country. The senator's intention could hardly have been to single them out as a group whose infiltration by Communist agents is unimportant and not worth the CIA's attention. He, therefore, obviously meant all United States citizens of East-Central European descent. Of these there are many millions. The importance of preventing the infiltration of this large contingent of the United States population by Communist agents can be seen from the following example.

A large part of Americans of East-Central European origin continues to have contacts with relatives and friends in the Communist-dominated countries, mainly through correspondence. Millions of letters are exchanged yearly. It is a fact, of which also the Communist regimes are well aware, that letters coming from countries under their rule to the United States often happen to contain, mostly unintentionally, information of general interest which is consistently not published in these countries, and which is therefore secret by Communist standards, but has slipped through the spot checks of Communist censors. This information, more often than not complete with originating sources, is related here in conversations on social occasions, etc., to persons who are considered to be trustworthy.

It is of utmost importance that all persons who happen to be taken into such confidence are genuinely worthy of trust. An error in judgment may mean several years of imprisonment for many writers of letters in the Communist-dominated area.

Therefore, from a humane point of view alone, efforts to prevent the infiltration of ethnic groups in this country by Communist agents seem to be both important and very welcome.

Heikki A. Leesment,  
President, Estonian National Committee in the U.S.  
New York, N.Y.

# What Are Some Things Ombudsman Could Do?

BY CLAYTON FRITCHEY

When Sen. Claiborne Pell (D-R.I.) and Rep. Henry Reuss (D-Wis.) introduced companion bills to create an American "ombudsman," they were not joking; and several recent events have generated fresh support for their legislation.

In fact, a number of senators and congressmen have been intrigued right along by the possibilities of adapting this Swedish concept to American needs, just as Denmark and several other nations have.

The whole idea got a lift last month when Sweden's ombudsman, Alfred Bexelius, made a personal appearance before a Senate committee, and explained to a fascinated audience his role as a kind of national Mr. Fix It, who goes to bat for the ordinary citizen against the tyranny of bureaucracy and other official abuses of power.

When anyone feels he is getting a raw deal from, say, an administrative agency, Bexelius said, the ombudsman checks it out, with powers to obtain all government documents, and to recommend changes in procedures or the law. He can even publicly reprimand officials.

"Very often agencies don't give reasons for their decisions, and frequently the citizens don't understand them," he said. But when a legitimate issue is raised, "neither the government nor parliament can stop the ombudsman from investigating."

★

Although the Bexelius testimony sparked great interest on the "Hill," it did raise the question of whether a Mr. Fix It is really needed in the United States. For instance, are there any abuses for which adequate relief has not already been provided in America?

The Pell-Reuss bills might very well not have been heard of again, except for a turn of events which has suddenly focused interest on several cases that have shocked the public sense of justice and fair play.

In one case, the CIA ordered a paid secret agent (Juni Raus) to spread the word that an Estonian emigre (Eric Heine) was a Communist spy. When Heine filed a slander suit against Raus, the latter did not deny making the charge or even try to defend its veracity. The CIA simply intervened and claimed for Raus the privilege of remaining silent, intelligence agency.

As matters stand now, it appears that Heine may be helpless to clear his name. But, does legal precedent or plain decency give any government official the right to destroy deliberately another man's reputation without any risk to himself or his agency? It couldn't happen in Sweden because the ombudsman has the power to get the truth even from the intelligence forces.

And now, too, we have the case of the young FBI clerk, Thomas Carter, who was summarily fired for letting "a girlfriend of long standing" stay overnight in an apartment occupied by Carter and three other FBI men. The latter occupied one bedroom, while Carter and his girl, who had come from Texas to Washington for a visit, occupied the other.

Under the FBI code the roommates were apparently obliged to squeal on their friend. They didn't, but still another FBI employee living in the same building did. The roommates were then put on probation for not squealing, and later resigned.

★

All this would certainly raise some interesting questions for an ombudsman. Does the FBI require vows of chastity from all unmarried employees? If not, which or what sex can an FBI man safely favor? The FBI would not tolerate a male liaison, and now it has put thumbs down on girls, too.

And while the ombudsman was at it he might also try to find out why the FBI turnover of personnel in Washington is so much higher than in the government as a whole, 34% compared with 19.

The ombudsman is also badly needed to help Bert Adams, who has spent 27 years trying to get the U.S. government to pay him for stealing his invention of a new battery. During World War II, Adams offered his battery to the army. The experts said it wouldn't work, but secretly the government had it copied and ordered at least a million of them made.

Looking back, wouldn't it have been fine to have had an ombudsman to deal with Joe McCarthy? And looking at the present, maybe there should be an ombudsman to deal with the draft inequities, with the State Department's snooping on U.S. citizens traveling abroad, and with all the wire tapping and bug-unofficially.



H R

LINCOLN, NEBRASKA  
STAR

M - 27,472

MAY 21 1966

Editorial Of The Day

The CIA Above The Law?

From The St. Louis Post-Dispatch

President Johnson probably will be asked to remind the CIA that it is not above the law. An appeal to him is being planned in connection with a case now pending in Federal court in Balti-

more. It is a suit for damages by a man who charges that he was falsely accused of being a Soviet agent by an employe of the CIA.

The hush-hush agency, however, has refused to allow its employe to make a deposition, and it has asked that the case be thrown out of court. Its claim is that the accusation was made under orders, and that the employe therefore was speaking for the Government which, of course, cannot be sued.

The CIA, like the FBI before it, fears that its secrets might be revealed in testimony under oath. But are CIA secrets entitled to greater protection than the law affords an American citizen? And what of the amazing implications of the CIA's theory?

Under it, an employe of the CIA or almost any other Government agency might be ordered by a relatively minor official to blacken reputations or otherwise violate the rights of citizens. Yet there would be no way of holding the agent or his superior to accountability. There would be no way of assuring a citizen of justice. That's how it is in a police state.

The CIA would not become involved in situations such as this one if it confined itself to gathering information — and we trust, solid, factual information — and avoided overt activities at home and abroad.

MERIDEN, CONN.  
RECORD

M. 19,458

MAY 19 1966

## The Spies Who Came Into The Court

As complicated as a James Bond movie and every bit as melodramatic is the real-life trial under way in Baltimore. For a bonus, it throws in some basic questions about rights, privilege, and the machinations of America's spy system and The Agency that runs it.

Principals in the action are Erik Heine, an Estonian emigre who has established a reputation as a freedom fighter, and Juri Raus, also an Estonian, whom he is suing for slander. Heine alleges that Raus on three occasions accused him of being a Communist and a Soviet agent. Raus denies making the statements at the times mentioned in the suit but admits that he has called the plaintiff a Soviet agent or collaborator. Involved are Heine's claims for \$10,000 in compensatory damages and \$100,000 in punitive damages.

What murks up the whole action is that Raus is an admitted operative of the Central Intelligence Agency. On at least one occasion five CIA lawyers have tried to keep Raus from having to answer questions. And the CIA has told the court: "When Juri Raus spoke concerning the plaintiff on the occasions about which complaint is made, he was acting within the scope and course of his employment by the Agency on behalf of the United States."

All this has evidently made a strong impression on the federal judge who is hearing the case. Several times he has seemed on the verge of granting the defendant summary judgment on his claim of absolute privilege.

The chronic follower of spy stuff in books, movies and television shows, on the other hand, will remain unimpressed. To those versed

in the methods and manners of international intrigue, this is a normal build-up to a much more complicated situation, one that is likely to be embellished by a couple of deadly and well-endowed female agents as it progresses.

Unfortunately, in real life more practical questions must be considered. Even in a completely open society, should the individual's rights to a good reputation jeopardize, as the judge has said, "the entire U.S. counter-espionage apparatus?" On the other hand, should an admitted counter-spy — who didn't bring up his CIA affiliation until a year after the court action was brought — be allowed the complete shield of a government immune to legal processes?

One more thing we'd like to know: If Heine really is a Soviet agent, why hasn't he been arrested?

## Line-O-Types

The proposed new Code Enforcement Committee as urged by the Ordinance Committee of Meriden's Court of Common Council is an improvement over original plans. But it still leaves as odd man out the Building Inspector, who is the only one qualified by experience and technical training to pass on the hard-tacks specifics of the Building Code.

★ ★ ★  
Meriden will have a 5-3-4 school system next year. The city didn't really plan it that way, but that's the way the kids shook down.

★ ★ ★  
"We're ready to roll," is the word from MIDC. And with the traffic on the big highways rolling strategically by the location, it can't be long now.

H-K

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ST. LOUIS, MO.  
POST-DISPATCH

E-344,575

S-560,578

MAY 17 1966

### *The CIA Above the Law?*

President Johnson probably will be asked to remind the CIA that it is not above the law. An appeal to him is being planned in connection with a case now pending in Federal court in Baltimore. It is a suit for damages by a man who charges that he was falsely accused of being a Soviet agent by an employe of the CIA.

The hush-hush agency, however, has refused to allow its employe to make a deposition, and it has asked that the case be thrown out of court. Its claim is that the accusation was made under orders, and that the employe therefore was speaking for the Government which, of course, cannot be sued.

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Under it, an employe of the CIA or almost any other Government agency might be ordered by a relatively minor official to blacken reputations or otherwise violate the rights of citizens. Yet there would be no way of holding the agent or his superior to accountability. There would be no way of assuring a citizen of justice. That's how it is in a police state.

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APPLETON, WISC.  
POST-CRESCENT

E - 38304  
S - 42,113

MAY 10 1966

## CIA in Middle of Slander Suit

The mysterious Central Intelligence Agency, which has both been highly praised and adversely criticized for its activities in the last few years has become involved in a slander suit. Entirely aside from the matter of ethics, which most spy novel authors claim does not have relevance to espionage, the legal ramifications are extensive.

What was thought to be a petty squabble between two Estonian refugee leaders was climaxed when Erik Heine, of Toronto, Canada, but originally from Estonia, filed a slander suit against Kurt Raus, also from Estonia and now living in Washington. Heine charged that Raus called him a Soviet agent in public.

Raus has not denied the charge but instead has brought in the CIA for his defense. He should have "absolute immunity" from suit, according to this defense, because the statements he made about Heine were done under orders from the CIA for which he is an agent and for the purpose of protecting "the integrity of the agent's foreign intelligence sources" within the Estonian refugee community in the United States and Canada. Nothing has been said to indicate that Heine really was a Soviet agent. Raus apparently felt, or his CIA superiors felt, that discrediting Heine was necessary to bolster his own reputation among the Estonians and his value as an agent.

Certainly this is right out of a John Le Carre story if not an Ian Fleming novel whose spy activities are not quite so sordid and unglamorous. At issue is the extent of immunity from court action extended to government employees. Members of Congress have absolute immunity for any speech or legislative action in session. The United States Supreme Court in 1959 extended the immunity blanket to cover some other employees. Relying upon this immunity, Raus has simply refused to answer all questions in court. Anything he said might endanger American intelligence, according to an affidavit signed by the current CIA director, W. F. Raborn.

However important our espionage network is in defending our freedoms against Communist encroachment, there seems to be considerable evidence that the CIA has forgotten exactly what its purpose is. Perhaps this is necessary by the very nature of espionage which exists only through duplicity and falsehood. But it is disturbing that part of a CIA plan involves the destruction of the reputation of another whose only sin appears to be his very innocence of knowledge of CIA activities. There is a contempt here for humanity that could well extend to a contempt for human life itself. Must we use Communist tactics to defend ourselves from the Communists? And if so, how do we find out who won?

H-2

BALTIMORE, MD.  
NEWS AMERICAN

E. 219,257  
S. 313,454

MAY 15 1966

### Canadian Suing CIA Employee for Slander

# Heine: Spy, Liar or Hero?

By JERRY CARTLEDGE

An Estonian-born Canadian citizen suing a Central Intelligence Agency employe for slander in Federal Court in Baltimore is, by the statement of his lawyer, "either the most cunning spy and consummate liar of all time or the most maligned hero of our age."

The case has attracted the attention of the national press and news services since it involves more than one deep constitutional question.

CIA has maintained throughout the more than two-year-old case that its agent, Juri Raus, another Estonian emigre, cannot testify on the background of his charge that Eerik Heine is a member of the Russian secret police because it would endanger national security.

THUS, HEINE'S attorneys maintain, he may be deprived of his privilege of redress through the courts because of a Government agency ruling that forbids Heine of obtaining information concerning the validity of evidence against him.

The \$110,000 slander suit was filed in Baltimore Nov. 6, 1964, charging that the CIA operative had on three occasions—twice in Maryland—falsely accused Heine in public of being a member of the K.F.B., Soviet secret police.

Sworn affidavits by two members of the Legion of Estonian Liberation claim that Raus, a resident of Hyattsville, had made the charge against Heine at a meeting of the group in New York Nov. 9, 1963.

It is charged that Raus repeated the charge again at an Estonian group picnic July 4, 1964, at Laurel Acres, Pasadena, and at a reception for Estonian Col. Alfons Rebane in Estonian House, 1932 Belair Rd., Baltimore, Sept. 4, 1964.

RAUS ALLEGEDLY supported the charge against Heine with a statement that the FBI had supplied him with the information.

The FBI's involvement was later denied in a letter to Heine's Canadian lawyer from FBI Director J. Edgar Hoover, in which he stated:

"You may be assured this bureau has not released any information which could be the basis for the alleged charges against him (Heine)."

In February, 1965, Raus' two top-flight Washington attorneys, Paul Connolly and E. Barrett Prettyman Jr., appeared before Chief Judge Roszel C. Thomsen, to take a 924-page deposition from Heine—the longest ever taken in the State of Maryland.

Also on hand were Heine's Washington attorneys, Robert J. Stanford and Ernest C. Raskauskas, who subsequently filed an "interrogatory" asking about 1,000 questions concerning the Raus charges against Heine.

THE CIA answered with an affidavit from Richard Helms, deputy CIA director, that Raus was in possession of information from the agency.

When he spoke concerning Heine on "such occasions," the affidavit stated he was acting within the scope and force of his employment by the agency on behalf of the United States. The affidavit was filed along with a motion for summary judgment.

The motion by the defense is based on the contention Raus was a Government employe making a statement in the course of his employment.

Connolly and Prettyman cited a 1959 Supreme Court ruling in *Barr vs. Mateo* holding

a Government employe making any statement in the course of his employment is immune from suit.

Heine's lawyers countered with the charge that Raus was not necessarily a bona fide employe of the CIA and may have been acting only in the capacity of "a contact."

ON APRIL 14 a second affidavit by Helm was presented to the court.

In it Helm stated that Raus had been forbidden to make any more statements to the court about his participation in the CIA or the Heine matter, in line with a secrecy agreement between Raus and the CIA.

Attached was a copy of the regulations respecting secrecy and guarding of CIA information.

Contending that testimony by Raus would be contrary to the security of the U. S., Helm wrote:

"The CIA has employed the defendant (Raus) from time to time, concurrently with his duties on the Bureau of Public Roads, to carry out specific assignments on behalf of the agency. The defendant was so employed on the occasions mentioned in the complaint."

A THIRD affidavit filed by Helms reaffirmed Raus' employment with the CIA and invoked his secrecy. It contained another motion for a summary judgment based on Raus' alleged immunity because of his Government job.

In answer, Heine's lawyers contended that the CIA was not acting nor had it acted legally with regard to instructing Raus to make the charges against the Canadian.

They cited the U. S. Code (Title 50, Section 403) govern-

ing the powers and duties of the CIA granted "provided that agency shall have no police, subpoena, law-enforcement or internal-security functions."

THE MATTER of Heine's alleged association with the Russian secret police in this country was rightfully the province of the FBI, they said, since it was basically an internal security matter—outside the jurisdiction of the Central Intelligence Agency.

On Friday, Judge Thomsen who, according to Raskauskas "have given extremely careful consideration to the details of the case because of the great issues involved," said he will hear the motion for summary judgment probably the last week of August.

Heine, in the meantime, will return to his job as foreman of a woodworking plant in Toronto, near his home in Rexdale, Ontario. His work with the Estonian liberation movement has been seriously curtailed, he claims.

IN AN OFFICIAL statement, Heine claims to have been imprisoned three times by the Soviet Union. He has been beaten, tortured and kept in solitary confinement, he says, but has never abandoned his fight against Communism.

Heine, subject of a book (translated from Estonian), "Rain for the River," accounting his exploits as a freedom fighter in his native land, was first arrested as a youth in his hometown, Tartu, Estonia.

In the summer of 1940, after the Soviets had occupied Estonia, Heine's biographers say, he organized an anti-Communist movement.

When the Red flag was flown over Tartu's City Hall the first time, Heine and other young men reportedly made an unsuccessful attempt to tear it down. They escaped but were the object of an intensive search for many months, the story continues.

WHEN HEINE'S parents, Oscar and Margareta Heine, were placed under house arrest

Continued

and threatened with death by the Reds, the statement claims the youthful resistance hero surrendered and was sent into solitary confinement in Tartu.

In April, 1941, through the influence of his father, one of Northern Europe's largest piano manufacturers, and his German maternal grandmother, he was interchanged as a political prisoner with German authorities, he says.

After war broke out between Germany and the USSR, Heine reportedly served with the Estonian unit of the German army until his capture in August, 1944, by the Red army. In December, 1944, he says he was officially declared a traitor to the USSR and sent to Kisela, a camp for political prisoners.

In March, 1945, Heine says, he escaped, but was later recaptured in the suburbs of Leningrad. He was transferred to an Estonian prison in January, 1946, he recalls, but again escaped in June, 1946, and joined the guerilla forces of his country.

HE WAS captured by the Russians in 1950 and sentenced to death, he says, but the sentence was eventually commuted to 25 years in a Russian prison. In November, 1956, under a post-war agreement between Russia and Germany, he was repatriated to the Germans.

In 1957 he learned that his mother was alive and living in Canada. He joined her there late in the year. He met Elsa Varres, a native of his hometown, in Canada in 1957, and they were married that year. He became a Canadian citizen in August, 1964.

While in Canada, he produced, at his own expense, an anti-Communist, 2½-hour film, "Creators of Legend," which he has taken on tour in the United States and Canada. It depicts guerilla activities against the Soviet Union in Estonia and features amateur actors of Estonian birth.

MAY 15 1966

WASHINGTON POST  
AND TIMES HERALD

MAY 14 1966

## Slander Suit Involving CIA Is Continued

By a Washington Post Staff Writer

BALTIMORE, May 13—The CIA slander case was continued after a hearing in Federal Court today for further filing of briefs by both sides and possible final arguments late in August on a defense motion for dismissal.

Canadian Erik Heine is suing Juri Raus of Washington, an acknowledged operative of the Central Intelligence Agency, for calling him a Soviet secret police agent sent to infiltrate Estonian emigre circles.

Raus's defense is that he was acting as a CIA agent under specific instructions to call Heine a Soviet spy.

Heine says CIA affidavits are not sufficient proof because CIA secrecy prevents cross-examination.

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NEW BRUNSWICK, NJ  
HOME NEWS

E. 46,171

S. 45,794

MAY 14 1966

# Choose Justice Or Security?

The two zeroes in "007" signify that this agent has a license to kill in the line of duty. Presumably, such a license is only a fictional contrivance to add glamor to a fictional character and guarantee a high death rate among fictional villains, to the delight of readers and moviegoers.

In real life, secret agents are quite ordinary and unspectacular and anonymous men—to outward appearances, anyway. They have to be to perform their jobs. Occasionally, however, the public does catch glimpses of them.

Whether any secret agents have licenses to kill is something known only to a few men in the governments that employ them. But they do enjoy an immunity from responsibility for their actions that is denied to other citizens.

This was illustrated in Baltimore a few days ago in a slander action brought against a certain Juri Raus by one Eerik Heine. The latter had been publicly labeled a Soviet agent by the former.

Five government attorneys argued in federal court that Raus was acting under orders from the Central Intelligence Agency when he made his charge and was therefore immune from suit. They successfully shielded him from answering any questions, except those which they permitted. Asking dismissal of the suit, they argued that a trial, in which the CIA would be required to produce evidence to support the allegation against Heine, would "not be in the interest of the security of the United States."

When it comes to a choice between overriding the civil rights of one person or revealing the operations of an agency whose purpose is to safeguard the rights of all Americans, few would hesitate long to sacrifice the individual, especially if he is suspected of being a foreign agent.

In such a situation, even a judge may have no alternative but to rely on the word of responsible government officials and hope that the small wrong he permits will serve a larger good.

But the decision is not easy, and it is not a satisfying one. We wonder how far we can go in adopting the methods of totalitarianism in order to fight totalitarianism.

There is always the gnawing fear that a "license to kill" enemy agents could sometime be turned into a license to silence anyone who makes himself objectionable to the government.



MAY 14 1966

# Judge Delays CIA Motion Ruling

BALTIMORE, May 14 — Whose cloak and dagger must a spy wear if he's working in the continental United States?

That question was raised yesterday by lawyers for Eerick Heine, who is suing a Central Intelligence Agency man for slandering him among their fellow Estonian refugees.

In a hearing in Baltimore Federal Court, Judge Roszel Thomsen was supposed to hear arguments that the CIA agent, Juri Raus, of Hyattsville, had "absolute privilege" to carry

out his orders to tell Estonian groups that Mr. Heine was "a dispatched Soviet intelligence operative and a KGB agent," and thus the \$110,000 suit should be dismissed.

But the judge discovered that some of the ground rules were not clear, and gave lawyers on both sides until July 23 to swap a series of briefs laying out the argument.

Ernest Raskauskas and Robert Stanford, representing Mr. Heine, who says he has been a life-long anti-communist,

argued that the law "clearly gives the Federal Bureau of Investigation control over matters of internal security."

"The CIA has no statutory right to run around the United States in the Knights of Columbus, the Masons, or Estonian Veterans subverting those groups among one another," Mr. Raskauskas said.

He added that "issuance of an order to make defamatory statements was not contemplated in the statute" granting immunity to certain

employees of the Federal government.

Paul Connelly, representing Mr. Raus, retorted that foreign emigre groups are sources of intelligence for the CIA, and thus, the agency had the "right to warn them there was an intrusion in their ranks."

He said even if the case is allowed to go to trial, he would claim "qualified privilege" on behalf of his client because of his position as general chairman of the Legion of Estonian Liberation.

Judge Thomsen said the argument "raises the whole question of the right of the Government to engage in intelligence activities and whether the same rules apply as in everyday activities."

Grinning as he left the bench, he added, "Surely if it is anything like what we see spies doing on television, there are very few rules."

Front Edit Other  
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BALTIMORE, MD.  
NEWS AMERICAN

E. 219,257

S. 313,454

MAY 14 1966

## CIA Slander Case Delayed

Chief Judge Roszel C. Thom-  
sen of the Federal Court in Balti-  
more has postponed oral argu-  
ments in ty \$110,000 slander suit  
involving a former U. S. spy net-  
work employe and an Estonian  
immigrant to Canada.

The two-year-old case brought  
by Eerick Heine, 46, of Ontario,  
who claims Juri Raus, of Hyatts-  
ville a Central Intelligence Agency  
undercoverman, accused him of  
being an agent for the Soviet  
secret police, will be resumed  
in August — possibly.

The CIA has raised the ques-  
tion of Raus' immunity because  
his testimony could involve na-  
tional security. The CIA says it  
told Raus to make the accusation  
against Heine to protect its for-  
eign intelligence sources.

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**THE NEW REPUBLIC** *A Journal of Opinion* Volume 154 Number 20 Issue 2686 May 14, 1966  
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# Undercover Slander

Does legal precedent or common decency give any government official the right to set out deliberately to destroy a man's reputation, and to do so with absolute impunity and absolute immunity? Joseph McCarthy thought there was such a right, and he exercised it. But at least he, as a senator, was not immune to political retaliation. His allegations could be challenged and were. He could be put on the defensive and was. What, however, if the slanderer is hidden and insists he is privileged not to disclose the evidence for his slanderous attack? That, at bottom, is the question that is being tried in Baltimore's Federal District Court.

The case involves a paid secret agent, working in Washington, D.C., who had been ordered to spread certain stories about an Estonian émigré whom the Central Intelligence Agency wished to discredit. In November, 1964, Erik Heine, a resident of Rexdale, Ontario, and a naturalized Canadian citizen, filed a \$110,000 slander suit against Juri Raus, a fellow Estonian émigré employed by the US Bureau of Public Roads. Heine asserted that on three occasions Raus had accused him publicly of being a Communist and an agent of the Soviet Secret Police. Raus answered on January 3, 1965 that he had had "responsible information" from "an official agency of the United States government" that Heine was "a Soviet agent or collaborator." Last January, Raus' lawyer filed an affidavit signed by Richard Helms, Deputy Director of CIA, stating that the information had come from the CIA and claiming for him the absolute privilege of remaining silent, since he was an official of the US government.

Three months later, the CIA entered the suit directly. "For a number of reasons," read the CIA statement, "including his past history and his position as National Commander of the Legion of Estonian Liberation, [Raus] has been a source to this Agency of foreign intelligence information pertaining *inter alia* to Soviet Estonian and to Estonian émigré activities in foreign countries *as well as in the United States* [italics added]. The Central Intelligence Agency has employed the defendant from time to time - concurrently with his duties on behalf of the Bureau of Public Roads - to carry out specific assignments on behalf of the Agency. . . . On these occasions . . . the defendant was furnished information concerning the plaintiff by the Central Intelligence Agency and was instructed to disseminate such information to members of the Legion so as to protect the integrity of the Agency's foreign intelligence sources. . . . It would be contrary to the security

interests of the United States for any further information pertaining to the use and employment of Juri Raus by the Agency in connection with Eerik Heine to be disclosed." That, so CIA presumably hoped, would close the case. The judge, however, has been described as not wholly persuaded.

Perhaps the CIA does have confidential information highly damaging to a Canadian citizen. If so, by what authority does it disclose this to an American citizen and instruct him to circulate it in the United States? The CIA is not empowered to propagandize in this country or to play politics inside American organizations - whether of émigrés or not. The National Security Act of 1947, which created the CIA, states specifically that the Agency "shall have no police, subpoena, law enforcement powers, or internal security functions." Moreover, if the CIA was convinced that a Canadian citizen was a "Soviet agent or collaborator," was that not a matter to be handled by Canadian officials, who surely would not be indifferent to such information supplied them by the CIA.

The history of this country has shown the wisdom of allowing responsible government officials a wide berth in what they may say openly without fear of prosecution for slander. Nevertheless, does an individual who believes he has been maliciously and falsely accused by another individual have no redress, simply because it is belatedly disclosed that his accuser is employed part-time by the CIA, which has supplied him with the slanderous information and told him to peddle it? If this is so, the government has almost unlimited power to hound at will, and in secret, and with no possibility of its being required to disclose its motives or its evidence of wrong-doing. This may be the Soviet way; it was certainly the Nazi way. But it has not been customary in the United States to allow a character assassin to do his work and to get away with it unchallenged and unanswered on the grounds that he was merely "following orders."

Certainly the security of the United States ought not to be compromised. But it does not follow that a for-

midable agency of the federal government should be permitted to wage an underground vendetta against a man and then remain silent when the victim protests in court. In the Raus case, the plaintiff faces a dumb accuser, who cannot inspect the evidence against him. He has no opportunity to vindicate himself. He cannot go "free," for his "innocence" is forever in doubt.

The Central Intelligence Agency Act of 1949 exempts the Agency from disclosing anything about its functions, organization and personnel. Moreover, Agent Raus was required to sign a secret agreement at the time of his hire in which he promised never to divulge information obtained in his work without CIA permission. The Agency says that its position in the Raus case is supported by two 1959 Supreme Court decisions which extended immunity to government officials. The conclusion we are thus asked to reach is that behind an impenetrable screen of official silence, any man's reputation, indeed perhaps his life, may be wrecked, and the only answer to which he is entitled is, possibly, "Sorry about that."

This is a monstrous interpretation of justice and a monstrous abuse of a federal power that is neither openly accountable to public opinion nor effectively supervised by the Congress.

MAY 14 1966

AMARILLO, TEXAS  
NEWS  
-SUNDAY NEWS-GLOBE-  
M. 45,488  
S. 76,884

MAY 13 1956

## Get Answer to Practical Question If Soviet Spy, Why Not Arrest Him?

A real life trial in Baltimore sounds weirder than most of the demonology of espionage now exposed in books, motion pictures, and television. Aside from the melodramatic and romantic aspects of the confrontation, deep questions about rights and privilege are being raised.

Eerik Heine, an Estonian emigre who has established a reputation as a freedom fighter, is suing Juri Raus, also an Estonian, for slander. Heine alleges that Raus on three occasions accused him of being a Communist and a Soviet agent. Raus denies making the statements at the times mentioned in the suit, but admits that he has called the plaintiff a Soviet agent or collaborator. Involved are Heine's claims for \$10,000 in compensatory damages and \$100,000 in punitive damages.

What murks up the whole action is that Raus is an admitted operative of the Central Intelligence Agency. On at least one occasion five CIA lawyers have tried to keep Raus from having to answer questions. And the CIA has told the court: "When Juri Raus spoke concerning the plaintiff on the occasions about which complaint is made, he was acting within the scope and course of his employment by the Agency on behalf of the United States."

Much of the work of the Central Intelligence Agency is research, some of which is pedestrian and some of which is quite shrewd. Only in its "black" operations and its "Department of Dirty Tricks" does it lay itself open to criticism. But in these areas the complaints have been sharp and severe.

There is not space enough here to categorize the blunders for which CIA has been blamed, culminating

in the disaster of the Bay of Pigs, for which CIA supplied the intelligence. It should always be pointed out that CIA by the very nature of its activities is prohibited from answering its critics or pointing with pride to its successes, which most certainly must have countervailed the boo-boos.

Numerous attempts have been made in Congress, again far too many to be listed here, to put a shorter rein on The Agency — the only government entity given automatic capital letters in Washington conversation. The answer invariably is that the House Armed Services CIA subcommittee and the corresponding subcommittee of the Senate Armed Services Committee each maintains intimate and careful surveillance of espionage and counter-espionage activities.

Spying is always a dirty and usually an embarrassing thing for a democracy, but the trial of the slander suit in Baltimore raises questions to try the most sensitive minds. The federal judge who is hearing the case several times seemed on the verge of granting the defendant summary judgment on his claim of absolute privilege.

Even in a completely open society, should the individual's rights to a good reputation jeopardize, as the judge has said, "the entire U.S. counterespionage apparatus?" On the other hand, should an admitted counter-spy — who didn't bring up his CIA affiliation until a year after the court action was brought — be allowed the complete shield of a government immune to legal processes?

These are good questions. A more practical one, perhaps, is if Heine really is a Soviet agent, why hasn't he been arrested?

e. 9,083

Front Page    Edg Page    Other Page

Date: MAY 13 1956

## Spies In Court

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These are good questions. A more practical one, perhaps, is if Heine really is a Soviet agent, why hasn't he been arrested?

*u. l. file*

MAY 13 1966

**CIA Accusation**

The trial of the CIA agent Juri Raus in Baltimore presented some interesting questions. It appears that the CIA can accuse a man of being a Communist spy and then is not required to show any proof. In effect the Agency can ruin a man without being required to submit any proof of the accusation.

I cannot, of course, judge what the facts of the case are, but it might be well to remember that the CIA has made mistakes in the past. It is not infallible and should not be allowed to make unsupported accusations.

**GEORGE K. SCHUELLER**  
Silver Spring.

UNITED PRESS  
INTERNATIONAL

MAY 13 1966

*pk*

RHUPI-197

(C-1-A)

BALTIMORE--A FEDERAL COURT JUDGE TODAY DEFERRED UNTIL THE LAST WEEK IN AUGUST FURTHER ACTION IN A \$112,000 SLANDER SUIT FILED AGAINST AN ADMITTED AGENT OF THE CENTRAL INTELLIGENCE AGENCY (CIA) WHO SPREAD A STORY THAT ANOTHER MAN WAS A "SOVIET INTELLIGENCE OPERATIVE."  
CHIEF JUDGE ROSZEL THOMSEN GAVE THE LAWYERS FOR JURY RAUS, 39, OF HYATTSVILLE, MD., THE CIA MAN, UNTIL MAY 23 TO FILE A BRIEF ON THE "SCOPE OF PERMISSIVE ACTIVITIES" OF THE CIA IN THE UNITED STATES.  
JUDGE THOMSEN GAVE ATTORNEYS FOR ESTONIAN-BORN CANADIAN EERIK KEINE, 46, WHO FILED THE SUIT, UNTIL JUNE 23 TO STATE THEIR POSITION ON THE BRIEF. THE JUDGE SET THE LAST WEEK IN AUGUST TO DECIDE WHAT FURTHER ACTION SHOULD BE TAKEN.

5/13--RH02PED



UNITED PRESS  
INTERNATIONAL

MAY 13 1968

272A

CIA 5/13 NX

BALTIMORE (UPI)--A FEDERAL COURT JUDGE FRIDAY DEFERRED UNTIL AUGUST FURTHER ACTION IN A \$110,000 SLANDER SUIT FILED AGAINST AN ADMITTED AGENT OF THE CENTRAL INTELLIGENCE AGENCY (CIA) WHO SPREAD A STORY THAT ANOTHER MAN WAS A "SOVIET INTELLIGENCE OPERATIVE."

CHIEF JUDGE ROSZEL THOMSEN GAVE THE LAWYERS FOR JURI RAUS, 39, OF HYATTSVILLE, MD., THE CIA MAN, UNTIL MAY 23 TO FILE A BRIEF ON THE "SCOPE OF PERMISSIVE ACTIVITIES" OF THE CIA IN THE UNITED STATES.

THOMSEN GAVE ATTORNEYS FOR ESTONIAN-BORN CANADIAN EERIK HEINE, 46, WHO FILED THE SUIT, UNTIL JUNE 23 TO STATE THEIR POSITION ON THE BRIEF. THE JUDGE SET THE LAST WEEK IN AUGUST TO DECIDE WHAT FURTHER ACTION SHOULD BE TAKEN.

THE "PERMISSIVE" ACTIVITIES REFERRED TO INVOLVED WHAT CIA AGENTS COULD DO IN THE UNITED STATES WITHOUT BEING LIABLE TO COURT ACTION FOR FEAR OF JEOPARDIZING NATIONAL SECURITY. GOVERNMENT REPRESENTATIVES REFUSED DURING THE HEARING TO SAY ANY MORE THAN THAT RAUS WAS EMPLOYED BY THE CIA AND THAT HE HAD BEEN DIRECTED BY THE CIA TO SPREAD A STORY THAT HEINE WAS A DOUBLE AGENT FOR THE RUSSIANS.

BOTH HEINE AND RAUS ARE MEMBERS OF ESTONIAN ORGANIZATIONS IN THE U. S. THE ORGANIZATIONS ARE WORKING TO FREE ESTONIA FROM COMMUNIST RULE.

HEINE CLAIMED RAUS TRIED TO RUIN HIS REPUTATION BY PUBLICLY LABELING HIM A SOVIET AGENT. A CIA AFFIDAVIT SAID RAUS WAS ORDERED TO SPREAD THE STORY ABOUT HEINE "TO PROTECT THE INTEGRITY OF THE AGENCY'S (CIA) FOREIGN INTELLIGENCE SOURCES."

IN ANSWERING THE SUIT, RAUS CLAIMED HE COULD NOT BE SUED FOR PERFORMING HIS DUTIES WITH THE GOVERNMENT. RAUS IS EMPLOYED AS AN ENGINEER WITH THE U. S. BUREAU OF PUBLIC ROADS. TESTIMONY INDICATED HE WAS CALLED UPON "FROM TIME TO TIME" TO WORK FOR THE INTELLIGENCE AGENCY.

RAUS IS UNDER ORDERS FROM THE CIA NOT TO ANSWER ANY QUESTIONS ON GROUNDS HIS ANSWERS MIGHT ENDANGER NATIONAL SECURITY.

A KEY POINT IN THE CASE IS WHETHER RAUS WAS "EMPLOYED" BY THE CIA AND THUS ENTITLED TO IMMUNITY FROM QUESTIONS AND COURT ACTION.

THE CIA CLAIMED RAUS WAS "EMPLOYED" BY IT BUT REFUSED TO SAY WHAT, HOW OR BY WHOM HE WAS PAID. LAWYERS FOR HEINE SUGGESTED RAUS MIGHT HAVE BEEN A "VOLUNTEER" AND NOT ENTITLED TO IMMUNITY.

THE NEXT MOVE AFTER THE BRIEFS ARE FILED COULD BE A TRIAL TO DECIDE THE "PRIVILEGE" ISSUE--WHETHER RAUS HAS THE RIGHT TO REMAIN SILENT ABOUT HIS EMPLOYMENT. LAWYERS FOR HEINE CLAIM THE "PRIVILEGE" PREVENTS THEM FROM PRESENTING THEIR CASE FULLY.

SF848PED

PROGRAM: ALEXANDER KENDRICK	DATE: May 12, 1966
STATION OR NETWORK: CBS RADIO	TIME: 5:55 P.M.

THE BALTIMORE COURT CAPER

**ALEXANDER KENDRICK:** With a new caper practically every week, the CIA has become the producer of a popular spy series that rivals any of the sagas of spooft to be seen on television. After the great infiltration plot at Michigan State, the latest episode is the case of the Estonian emigres, which will surface again in a federal court in Baltimore tomorrow. Since it involves a matter of some importance, whether the courts can be made to serve as a cloak for CIA's daggers, it will probably end up in the Supreme Court, unless of course it disappears mysteriously on the way.

The case came to court in a slander suit brought by an Estonian emigre leader, Eric Heine against another, Yuri Raus. Heine asked for damages, charging that Raus had publicly called him a Soviet agent, thereby impugning his reputation as an anti-communist freedom fighter. What looked like a squabble between two rivals in the Estonian community became something more, when at the first court hearing the CIA sent five lawyers to Raus's aid -- publicly identified him as one of its agents, the first time that has happened -- and prevented him from answering questions as a witness, on the ground that he was carrying out CIA orders in calling Heine a Soviet agent, and therefore was privileged, and immune from suit.

The CIA has asked the court to dismiss the suit on security grounds, that to produce witnesses in support of Raus, against Heine would compromise its secrecy. This is what will be ruled on tomorrow. Meanwhile there has been some compromise of secrecy already. The CIA's general counsel ceased being anonymous by appearing in court, and a Washington detective hired as associate counsel for the unmasked CIA agent Raus, has been identified as a former investigator for Joe McCarthy, as well as the Teamsters Union some years ago, to spy on and presumably try to get something on three staff members of the Senate Rackets Subcommittee.

- 2 -

Among the sensitive issues raised by the case is the CIA's right to carry out clandestine operations in this country, having been set up to obtain intelligence abroad.

Another issue is whether the immunity given Cabinet officers and Congressmen in the performance of their duty can properly be extended to an undercover agent employed by what has been called "the department of dirty tricks." And the third question -- if Heine is a Soviet agent, as the CIA says -- why hasn't he been arrested and charged? More on the Baltimore caper in a moment . . .

\* \* \*

The Senate Foreign Relations Committee today made the latest in a long list of congressional attempts to look under the CIA's cloak. It is concerned about the effect of the agency's secret operations on foreign relations. But the Baltimore court case tomorrow strikes much closer to home, for even more controversial than the methods used, of employing one man to discredit another by calling him a Soviet agent, is the CIA's open attempt to put its espionage activities above the free and independent working of the American court system, which means the law.

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FORT WAYNE, IND.  
NEWS-SENTINEL

E - 77,258

MAY 11 1966

## *CIA Involved in Spy Court Case*

Spying has become the big "in" thing in books, motion pictures and television. But a real life spy drama in the courts in Baltimore has weirder aspects than most of the demonology of espionage its creators are dreaming up on the fiction front.

For aside from the melodramatic and romantic aspects of the real life court case, it is raising fundamental questions about rights and privileges.

Eerik Heine, an Estonian emigre who has established a reputation as a freedom fighter, is suing Juri Raus, also an Estonian, for slander. Heine alleges that Raus, on three occasions, accused him of being a Communist and a Soviet agent. Raus denies making the statements at the times cited in the suit, but admits that he has called the plaintiff a Soviet agent or collaborator. Involved are Heine's claims for \$10,000 in compensatory damages and \$100,000 in punitive damages.

The involvement of the Central Intelligence Agency (CIA) in the case is what makes it unique and muddies the whole action. For Raus is an admitted CIA operative, a bonafide spy, they say, for our side. And, on at least one occasion, five CIA lawyers have tried to keep Raus from having to answer questions.

Further, the CIA has told the court: "When Juri Raus spoke concerning the plaintiff on the occasions about which the complaint is made, he was acting within the scope and course of his employment by the Agency on behalf of the United States."

Admittedly, much of the work of the Central Intelligence Agency is on the dull side and centers on humdrum research, a lot of it pedestrian and some quite shrewd. It's in its so-called "black" operations and its "Department of Dirty Tricks" that the CIA lays itself open to criticism. But in these areas the complaints

have been sharp and severe.

In recent years, the Agency has been blamed for a number of our blunders on the international scene — most dramatic, of course, being the disaster of the Bay of Pigs, for which the CIA supplied the intelligence. In fairness, it should be pointed out that the CIA, by the very nature of its activities, is prohibited from answering its critics or citing its successes, which, in the long run, probably outweigh its boos.

Numerous attempts have been made in Congress to put a shorter rein on "The Agency" — the only government entity given automatic capital letters in Washington conversation. The answer invariably is that the House Armed Services CIA subcommittee and the corresponding subcommittee of the Senate Armed Services Committee each maintains intimate and careful surveillance of espionage and counter-espionage activities.

Spying is always a dirty business and an embarrassing one for a democracy. But the slander suit trial in Washington raises basic questions. The Federal judge who is hearing the case has seemed several times on the verge of granting the defendant a summary judgment on his claim to absolute privilege.

Even in a completely open society, should the individual's rights to a good reputation jeopardize, as the judge has said, "the entire U. S. counter-espionage apparatus?" On the other hand, should an admitted counter-spy — who didn't bring up his CIA affiliation until a year after the court action was brought — be allowed the complete shield of a government immune to legal processes?

These questions deserve answers, as well as a more practical one: If Heine really is a Soviet agent, why hasn't he been arrested?

MAY 11 1966

## HEINE HINTS PLEA TO WHITE HOUSE

### Secrecy Rule Blocks Action In Slander Suit

Lawyers for Erik Heine, who have been blocked in a \$110,000 slander suit filed in Federal Court because of a secrecy rule, indicated yesterday they would go to the White House seeking relief.

Mr. Heine, of Rexdale, Canada, is suing a Maryland resident on grounds he was defamed among Estonian nationals by statements that ruined his career as a lecturer.

Proceedings in the case, filed against Juri Raus, of Prince Georges county, are halted by refusal of the Central Intelligence Agency to allow Mr. Raus to testify.

The CIA has admitted that Mr. Raus was furnished information to disseminate to Estonian emigre groups in his capacity as an officer of various organizations.

#### Hearing On Motion Set

However, the CIA has refused to allow Mr. Raus to discuss what he was told or be cross-examined in proceedings before Chief Judge Roszel C. Thomsen.

A hearing on a motion to dismiss the case is scheduled in Federal Court on Friday.

Mr. Heine filed notice with the court that he would take the case to Harry C. McPherson, special counsel to President Johnson on national security matters.

#### Review Wanted

The White House attorney will be asked to review the case and determine whether the CIA has properly invoked the secrecy rule to prevent the case from proceeding.

Mr. Heine claims he fought against the Communist take-over of his country in 1941 and lectures on his exploits to various Estonian groups in this country and Canada.

GLEN FALLS, N.Y.  
POST-STAR

M-16,966

MAY 11 1966

### The CIA in Court

Our Central Intelligence Agency, as secret organizations go, reaps more publicity than almost any other agency in Washington including those that issue press handouts. For the CIA, that means trouble. It is blamed by our national enemies for running a worldwide meddling operation. It is the constant target of some congressional committee desiring to exert control over it. And currently it is posing a vexing legal problem to our judiciary.

The legal problem is located in a federal court in Baltimore and involves a slander suit. Erik Heine, an Estonian emigre and reputed freedom fighter, is suing Juri Raus, another Estonian. Heine has alleged that on three occasions, Raus accused him of being a Communist and a Soviet agent. Raus denies that he made the alleged statements when Heine says he did, but admits that he did call the plaintiff a Soviet agent or collaborator. Heine asks \$10,000 as compensatory damages and \$100,000 in punitive damages.

Judges have heard thousands of slander suits. What makes this one different is that Raus is an admitted operative of the CIA. CIA lawyers have tried to protect him from having to answer questions. The agency has told the court that when Raus spoke concerning the plaintiff on the occasions about which the complaint was made, he was acting within

the scope and course of his employment by the CIA on behalf of the United States.

Spying is a dirty business and embarrassing for a democracy but in these years it is conceded to be a necessary business. The Baltimore case is viewed by the judge as raising this question: Even in a completely open society, should the individual's right to a good reputation jeopardize "the entire United States counter-espionage apparatus?" But another question is whether an admitted counter-spy who did not mention his CIA affiliation until a year after the suit was initiated be allowed a complete shield of a government immune to legal processes.

The usual defense in actions of this kind is the truth. Raus's defense would be elegant if he could produce in court conclusive evidence that Heine was what he said he was. To do that, of course, would require witnesses and supporting evidence. And the CIA position is further complicated by the fact that Heine has not been arrested. If he really was a Soviet agent, why wasn't he?

Old James Bond buffs could produce an assortment of sound explanations but old James Bond buffs carry no weight at all in a court of law. This is a court of law and the defendant, whose employer's name and activities are known far and wide, is seemingly tied hand and foot by its greatest weapon, secrecy. It is an ironic situation, a thought that can be no comfort whatever to the judge.

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PATERSON, N.J.  
NEWS

W-58,993

MAY 10 1956

## Spies Who Came To Court

A real life trial in Baltimore sounds weirder than most of the demonology of espionage now exposed in books, motion pictures, and television. Aside from the melodramatic and romantic aspects of the confrontation, deep questions about rights and privilege are being raised.

Eerik Heine, an Estonian emigre who has established a reputation as a freedom fighter, is suing Juri Raus, also an Estonian, for slander. Heine alleges that Raus on three occasions accused him of being a Communist and a Soviet agent. Raus denies making the statements at the times mentioned in the suit, but admits that he has called the plaintiff a Soviet agent or collaborator. Involved are Heine's claims for \$10,000 in compensatory damages and \$100,000 in punitive damages.

Final argument in the case will be heard Friday.

What murks up the whole action is that Raus is an admitted operative of the Central Intelligence Agency. On at least one occasion five CIA lawyers have tried to keep Raus from having to answer questions. And the CIA has told the court: "When Juri Raus spoke concerning the plaintiff on the occasions about which complaint is made, he was acting within the scope and course of his employment by the Agency on behalf of the United States."

There is not space enough here to categorize the blunders for which CIA has been blamed, culminating in the disaster of the Bay of Pigs, for which CIA supplied the intelligence. It should always be pointed out that CIA by the very nature of its activities is prohibited from answering its critics or pointing with pride to its successes, which most certainly must have countervailed the boo-boos.

Spying is always a dirty and usually an embarrassing thing for a democracy, but the trial of the slander suit in Baltimore raises questions to try the most sensitive minds. The federal judge who is hearing the case several times seemed on the verge of granting the defendant summary judgment on his claim of absolute privilege.

Even in a completely open society, should the individual's rights to a good reputation jeopardize, as the judge has said, "the entire U.S. counter-espionage apparatus?" On the other hand, should an admitted counter-spy — who didn't bring up his CIA affiliation until a year after the court action was brought — be allowed the complete shield of a government immune to legal processes?

These are good questions. A more practical one, perhaps, is if Heine really is a Soviet agent, why hasn't he been arrested?

# Canada, U.S. Discuss Heine-CIA Court Case

By ORR KELLY  
Star Staff Writer

The case of Erik Heine and the Central Intelligence Agency has been "under discussion" between the Canadian and U.S. governments for the last several days, it has been revealed.

In the Canadian House of Commons in Ottawa yesterday, Paul Martin, secretary of state for external affairs, told of the discussions after John Diefenbaker, leader of the Conservative opposition party, asked whether "the strongest possible protest has been made to this most unjustifiable way of assassinating the character of a good Canadian."

"Of course I share my right honorable friend's concern if the facts as they appear warrant the conclusion which he has placed upon them," Martin said. "In any event, my right honorable friend might be assured that the matter is receiving our attention."

Diefenbaker first raised the

question on Wednesday and then brought it up again yesterday in even stronger language.

Heine, a naturalized Canadian citizen who lives in a suburb of Toronto, has filed a \$110,000 slander suit against a fellow Estonian immigrant for calling him a Communist and a "KGB" agent on three separate occasions.

In three affidavits filed in the Federal District Court in Baltimore, the CIA has revealed Heine's accuser, 33-year-old Jeri Raus of Hyattsville, Md., was instructed by the CIA to warn fellow Estonians that Heine was a "dispatched Soviet intelligence operative, a KGB agent."

Arguments are scheduled for next Friday in Baltimore on a Raus motion for a summary judgement based on his contention that, working for the CIA, he has absolute immunity against a slander suit.

Heine said last night that he intended to be present at the hearing. Despite the accusations made against him, he has traveled freely across the U.S.-Canadian border on a number of occasions, the most recent of which was last week.



BRIDGEPORT, CONN.  
TELEGRAM

U. 13,172

MAY 9 1966

### A Disturbing Case

The two zeroes in "007" signify that this agent has a license to kill in the line of duty. Presumably, such a license is only a fictional contrivance to add glamor to a fictional character and guarantee a high death rate among fictional villains to the delight of readers and moviegoers.

In real life, secret agents are quite ordinary and unspectacular and anonymous men — to outward appearances, anyway. They have to be to perform their jobs. Occasionally, however, the public does catch glimpses of them.

Whether any secret agents have licenses to kill is something known only to a few men in the governments that employ them. But they do enjoy an immunity from responsibility for their actions that is denied to other citizens.

This was illustrated in Baltimore a few days ago in a slander action brought against a certain Juri Raus by one Eerik Heine. The latter had been publicly labeled a Soviet agent by the former.

Five government attorneys argued in federal court that Raus was acting under

orders from the Central Intelligence Agency when he made his charge and was therefore immune from suit. They successfully shielded him from answering any questions, except those which they permitted. Asking dismissal of the suit, they argued that a trial, in which the CIA would be required to produce evidence to support the allegation against Heine, would "not be in the interest of the security of the United States."

Chief Judge Thomsen of the District Court postponed further argument on the case to a later date.

When it comes to a choice between over-riding the civil rights of one person or revealing the operations of an agency whose purpose is to safeguard the rights of all Americans, few would hesitate long to sacrifice the individual, especially if he is suspected of being a foreign agent.

In such a situation, even a judge may have no alternative but to rely on the word of responsible government officials and hope that the small wrong he permits will serve a larger good.

But the decision is not easy, and it is not a satisfying one. We wonder how far we can go in adopting the methods of totalitarianism in order to fight totalitarianism.

There is always the gnawing fear that a "license to kill" for enemy agents could sometime be turned into a license to silence

ROME, NEW YORK  
SENTINEL

E. 18,523

MAY 9 1966

## The Spies Who Came Into Court

A real life trial in Baltimore sounds weirder than most of the demonology of espionage now exposed in books, motion pictures, and television. Aside from the melodramatic and romantic aspects of the confrontation, deep questions about rights and privilege are being raised.

Eerik Heine, an Estonian emigre who has established a reputation as a freedom fighter, is suing Juri Raus, also an Estonian, for slander. Heine alleges that Raus on three occasions accused him of being a Communist and a Soviet agent. Raus denies making the statements at the times mentioned in the suit, but admits that he has called the plaintiff a Soviet agent or collaborator. Involved are Heine's claims for \$10,000 in compensatory damages and \$100,000 in punitive damages.

What murks up the whole action is that Raus is an admitted operative of the Central Intelligence Agency. On

at least one occasion five CIA lawyers have tried to keep Raus from having to answer questions. And the CIA has told the court: "When Juri Raus spoke concerning the plaintiff on the occasions about which complaint is made, he was acting within the scope and course of his employment by the Agency on behalf of the United States."

Much of the work of the Central Intelligence Agency is research, some of which is pedestrian and some of which is quite shrewd. Only in its "black" operations and its "Department of Dirty Tricks" does it lay itself open to criticism. But in these areas the complaints have been sharp and severe.

Spying is always a dirty and usually an embarrassing thing for a democracy, but the trial of the slander suit in Baltimore raises questions to try the most sensitive minds. The federal judge who is hearing the case several times seemed on the verge of granting the defendant summary judgment on his claim of absolute privilege.

Even in a completely open society, should the individual's rights to a good reputation jeopardize, as the judge has said, "the entire U.S. counter-espionage apparatus?" On the other hand, should an admitted counter-spy — who didn't bring up his CIA affiliation until a year after the court action was brought — be allowed the complete shield of a government immune to legal processes?

These are good questions. A more practical one, perhaps, is if Heine really is a Soviet agent, why hasn't

MAY 9 1966

H-R  
Case

### *Out in the Cold*

In the elaborate undercover operation the Central Intelligence Agency has been engaged in to manipulate the opinions of Estonians in the United States, somebody is bound to be left out in the cold. The CIA has acknowledged that, at its instance, an Estonian emigré named Juri Raus working subterraneously as one of its agents, spread accusations that another Estonian emigré, Eerik Heine, now a Canadian, was in reality a Soviet agent. Mr. Heine has sued Mr. Raus for slander. The CIA has forbidden Mr. Raus to answer questions in court and has asked to have Mr. Heine's suit dismissed on the ground that Mr. Raus acted in an official governmental capacity and is therefore immune from any defamation suit.

The latest development is that Mr. Heine has appealed to the White House. He has done this on the basis of an obscure paragraph of an Executive Order requiring the President to receive and "take action upon" complaints from private citizens about the operation of CIA secrecy regulations. The express purpose of this paragraph is to insure that information is not improperly withheld. We think Mr. Heine has plainly put the CIA in a most uncomfortable position. For it can hardly win this battle against him without losing the war for Estonian emigré opinion.

Symbolically as well as legally, Mr. Heine's appeal to the White House has great emotional force. Whether he is, as the CIA alleges, a Soviet agent or, as he represents himself, a doughty anti-Communist, he is entitled to his day in court. And if the CIA, for security reasons or any other reasons, is unwilling to defend what it has done, it has no business asking an American court of justice to cover up for it. Americans of Estonian ancestry, or any other ancestry, are unlikely to have much sympathy for such hit-and-run tactics. As a matter of elementary fairness and for the sake of this country's good repute, the White House ought to intervene to make the CIA defend itself or else give Mr. Heine indemnification.

**Author: Robert G. Sherrill,  
Washington Bureau Chief**

### The CIA Above the Law

The CIA, known around the world for taking the law into its own hands, has now demonstrated that it considers itself above legal restraint even at home. This new recklessness emerges from a suit brought by one Eerik Heine, an Estonian expatriate who claims a long history as an anti-Communist freedom fighter. The defendant is one Juri Raus, another Estonian expatriate who admits to being an agent for the CIA. Raus had charged publicly that Heine, far from being a patriot hero, is really an agent of the KGB, the Soviet secret police. Heine sued Raus for slander. Some \$100,000—to say nothing of Heine's reputation—rides on the judgment. The case is now pending before Judge Roszel C. Thomsen in the Federal District Court in Baltimore.

Raus does not deny that he made the charges. But—incredibly—he maintains that he made them on orders of the CIA and, as a result, has no obligation to prove them. The CIA acknowledges that it sought to buy off the victim in an out-of-court settlement. But Heine, to the agency's dismay, has insisted on a trial to clear his name.

Surfacing to protect its man, the CIA filed an official affidavit with the court which says that "Raus was in possession of information furnished to him by the Central Intelligence Agency, and when he spoke concerning the plaintiff on such occasions he was acting within the scope and course of his employment by the Agency on behalf of the United States." Raus's attorneys argue that "under these circumstances, there arises in favor of the defendant an absolute privilege which precludes, even under a showing of malice, any possibility of recovery by the plaintiff."

How similar this contention sounds to the claim of the Stuart monarch, James I, who declared in 1609 that kings are "judges over all their subjects and in all causes and yet accountable to none but God only. They have power to exalt low things and abase high things, and make of their subjects, like men at the chess, a pawn to take a bishop or a knight. . . ." It was this contention, of course, which led to England's revolutionary war and the affirmation—

once and for all, we had thought—that kings (to say nothing of CIA agents) were subject to law.

The implication of the CIA's assertion is enormous. If not challenged, it means that an agency of government can inflict any manner of harm upon the citizenry and remain—upon claim, however shaky, of overriding national interest—immune from responsibility. The CIA says that a more elaborate defense might expose its entire counterespionage apparatus in the United States. Even if the allegation were justified (and there is no way to verify it), it scarcely entitles the CIA to stomp on people's rights in the process.

The CIA argues that the Supreme Court affirmed its power to libel Heine in a 5-to-4 decision (*Barr v. Mateo*) in 1959. The decision, one of the Warren Court's less felicitous ones, established the risky principle that an official could not be sued for libel committed in the course of duty. It did not say—which is what the CIA contends it says—that the government has a right to resort to slander as a conscious instrument of policy. It did not, furthermore, say the government could haughtily withhold any defense, on the ground of executive privilege. Attorney General Katzenbach, happily, has refused to lend his personal authority to the CIA position. Even Judge Thomsen, who has been sympathetic to the CIA's dilemma, was forced to observe: "I think that the plaintiff is entitled; assume the plaintiff is a Communist, assume he is everything you say, everybody has some rights in this country." The question, obviously, cannot go unchallenged. It is to be hoped that this case will soon find its way to the Supreme Court.

M. 230,698  
S. 377,132  
MAY 8 1966

# A smear-license for government officials?

By CHARLES NICODEMUS

WASHINGTON

Should government officials be free to impugn the reputation of any American they choose, with the guarantee that they cannot be held accountable, whether the attack is truthful or not?

Doubtless, most Americans aren't aware that public officials at all levels of government have that staggering power. But they do—thanks to a 1959 U.S. Supreme Court decision.

Now a little-noted slander case seems likely to focus a badly needed spotlight of this privilege.

The case, building toward a climax later this month in Federal District Court in Baltimore, has an intriguing, and perhaps confusing, element that promises to skyrocket it to national attention.

Uncle Sam's spies, the super-secret Central Intelligence Agency, is a central figure in the drama.

The case opened in November, 1964, when a well-known Estonian emigre, Erik Heine, now living in Toronto, Canada, filed suit for slander against another prominent former Estonian, Juri Raus, now an engineer here for the U.S. Bureau of Public Roads.

Heine, widely publicized as an anti-Communist and a freedom fighter, said that Raus was spreading tales that Heine was actually a Soviet agent planted in the closely knit Estonian community on this continent.

Raus answered, in court papers, that he had indeed made the statements, and had done so because an agency of the U.S. government had given him information on Heine's background.

The case moved routinely through legal preliminaries until January of this year, when Raus' attorneys dropped a bombshell. They filed a motion to dismiss Heine's suit on the ground that:

- Raus' information on Heine's alleged spy activities had come from the CIA.
- Raus had spread the information at the specific request of the CIA, as an

employee of that agency.

• He was therefore entitled to the "absolute immunity" that a little-noted 1959 Supreme Court decision, *Barr vs. Mateo*, conferred on government employes performing their duties.

In this ruling, reached by a 5-4 margin, the court said that government officials—great and small, local, state and national—could not operate properly if they had to always worry that they might be sued for something they did, wrote or said.

So the writings or utterances of such officials must be immune to attack from libel or slander suits, the court ruled, regardless of whether any charges made by the officials were malicious or not. And that lets Raus off the hook, his attorneys argued.

Under prodding by Heine's attorneys and the judge, Roszel C. Thomsen, the CIA—in an unprecedented move—came into court and admitted that Raus was indeed performing in some paid capacity or another (the CIA won't say just what) when he made his statements about Heine.

But beyond that, the CIA spokesman, Deputy Director Richard Helm, refused to go. He left unanswered such questions as:

- What proof of the charges does the CIA have?
- What business did the CIA have meddling in what some observers construe as a "domestic" situation?

On May 13, Judge Thomsen has scheduled final arguments on Raus's motion to dismiss Heine's suit. A ruling is likely soon afterward.

It is unfortunate that the CIA is involved in this case.

For it is already becoming clear that any public attention or outcry that this case evokes will be directed primarily at the CIA—which everyone seems to enjoy kicking—and not at the 1959 Supreme Court ruling, which is the real issue.

It can be rightly argued that public officials do need protection in the performance of their duties. But giving "protection" is one thing, and granting an unqualified license to smear is something else.

SHELBY, NO. CAR.  
STAR

E. 12,636

MAY 7 1968

## Disturbing Court Case

The two zeroes in "007" signify that this agent has a license to kill in the line of duty. Presumably, such a license is only a fictional contrivance to add glamor to a fictional character and guarantee a high death rate among fictional villains, to the delight of readers and moviegoers.

**IN REAL LIFE**, secret agents are quite ordinary and unspectacular and anonymous men — to outward appearances, anyway. They have to be to perform their jobs. Occasionally, however, the public does catch glimpses of them.

Whether any secret agents have licenses to kill is something known only to a few men in the governments that employ them. But they do enjoy an immunity from responsibility for their actions that is denied to other citizens.

This was illustrated in Baltimore a few days ago in a slander action brought against a certain Juri Raus by one Eerik Heine. The latter had been publicly labeled a Soviet agent by the former.

**FIVE GOVERNMENT** attorneys argued in federal court that Raus was acting under orders from the Central Intelligence Agency when he made his charge and was therefore immune from suit. They successfully shielded him from answering any questions ex-

cept those which they permitted.

Asking dismissal of the suit, they argued that a trial, in which the CIA would be required to produce evidence to support the allegation against Heine, would "not be in the interest of the security of the United States."

Chief Judge Thomsen of the District Court postponed further argument on the case to a later date.

**WHEN IT COMES** to a choice between overriding the civil rights of one person or revealing the operations of an agency whose purpose is to safeguard the rights of all Americans, few would hesitate long to sacrifice the individual, especially if he is suspected of being a foreign agent.

In such a situation, even a judge may have no alternative but to rely on the word of responsible government officials and hope that the small wrong he permits will serve a larger good.

But the decision is not easy and it is not a satisfying one. We wonder how far we can go in adopting the methods of totalitarianism in order to fight totalitarianism.

**THERE ALWAYS IS** the gnawing fear that a "license to kill" enemy agents could sometime be turned into a license to silence anyone else who makes himself objectionable to the government.

Front Page	End Page	Other Page

GRAND FORKS, N.D.  
HERALD

8-36,555

8-36,825

MAY 7 1966

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H. R.

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HARTFORD, CONN.  
TIMES

E-133,310

MAY 6 1966

## Uncle Sam's Honor

A case getting more complicated every day is being tried in the United States District Court in Baltimore. Erik Heine, an Estonian emigre, is suing Juri Raus, another Estonian emigre, for \$110,000 damages for slander.

Mr. Raus once called Mr. Heine a "dispatched Soviet intelligence operative." Mr. Heine says that was untrue and asks damages. Mr. Raus, it has developed, did indeed make that statement about Mr. Heine—on orders of the Central Intelligence Agency, for which he was a part-time agent.

The CIA has ordered Mr. Raus not to say anything further about his connection with the CIA or about his involvement with Mr. Heine. Under the law, the CIA can in certain circumstances keep its agents from breaking security rules even by testifying in court.

From this distance, it seems that the questions of whether the CIA

should have the power to order an agent to slander someone and whether it should be able to hide facts from a court are not relevant. What is involved is the honor of the United States, entrusted to the CIA.

It appears that a CIA agent, acting on orders, slandered a man and damaged his reputation. If the CIA doesn't wish to explain, so be it. But no agency should be immune from the responsibility for paying for the damage it does. If an Army tank were misdirected over a civilian's lawn, the civilian would quickly claim recompense from the Army. Mr. Heine is entitled, morally at least, to be compensated for the damage to his reputation.

The CIA should shell out the \$110,000, or whatever amount of damage the court decides was done to Mr. Heine, with no more delays of trial and maneuver. Whatever the legal principles involved, the honor of the United States must be protected.



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MILWAUKEE, WISC.  
JOURNAL

E-362,013  
S-546,595

MAY 6 1966

### License to Slander?

A showdown case in the federal court at Baltimore will determine whether the government spy organization can get away with setting itself altogether above and beyond the law. The central intelligence agency (CIA) is claiming a right to commit slander with immunity.

The plaintiff in the \$110,000 damage suit claims that a fellow Estonian native, who is a CIA operative, publicly and falsely accused him of being an agent of the Soviet secret police. The agency forbade its man to give a deposition and has demanded that the judge throw out the whole case summarily, leaving the plaintiff without recourse.

The CIA's shocking claim is that the accusation was uttered on official orders, therefore it was uttered in effect by the government itself and the government can't be sued! Further, that a trial would endanger national security by forcing the CIA to lift a corner of its veil of secrecy.

The implications of this theory, if our courts should swallow it, are horrendous. The CIA would have a license to blacken reputations at will for its own reasons, which would be nobody's business but its own, with no accountability even to courts of justice. The door would be open to use the spy arm of the government as an instrument of tyranny and oppression against the American people themselves.

A simple way for the CIA to guard whatever secrecy may be legitimate and necessary is not to let its agents make accusations that it is not willing to defend in court. If it can go around slandering people who are not allowed to seek justice, we are in very deep trouble. The Constitution does not conceivably have such an open door in it; the courts cannot conceivably open one.

H-R  
Cowan

INQUIRER

M. 603,438  
S. 983,643

MAY 6 1966

Powers of Public Officials

# Slander Case Involving CIA Tests 'Right to Smear' Ruling

By CHARLES NICODEMUS  
Special to The Inquirer and Chicago Daily News  
WASHINGTON.

SHOULD government officials be free to impugn the reputation of any American they choose, with the guarantee that they can't be held accountable, whether the attack is truthful or not? Doubtless, most Americans aren't aware that public officials at all levels of government have that staggering power, but they do—thanks to a U. S. Supreme Court decision.

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—Raus' information on Heine's alleged spy activities had come from the CIA.

—Raus had spread the information at the specific request of the CIA, as an employee of that agency.

—He was therefore entitled to the "absolute immunity" that a little-noted 1959 Supreme Court decision, *Barr vs. Mateo*, conferred on government employes performing their duties.

In this ruling, reached by a 5-4 margin, the court said that government officials—great and small, local, State and national—could not operate properly if they had to always worry that they might be sued for something they did, wrote or said.

SO the writings or utterances of such officials must be immune to attack from libel or slander suits, the court ruled.

Under prodding by Heine's attorneys and the judge, Roszel C. Thomsen, the CIA—in an unprecedented move—came into court and admitted that Raus was indeed performing in some paid capacity or another (the CIA won't say just what) when he made his statements about

spokesman, Deputy Director Richard Helm, refused to go. He left unanswered such questions as:

—What proof of the charges does the CIA have?

—What business did the CIA have meddling in what some observers construe as a "domestic" situation?

On May 13, Judge Thomsen has scheduled final arguments on Raus' motion to dismiss Heine's suit. A ruling is likely soon afterward.

It is unfortunate that the CIA is involved in this case.

For it is already becoming clear that any public attention or outcry that this case evokes will be directed primarily at the CIA—which everyone seems to enjoy kicking—and not at the 1959 Supreme Court ruling, which is the real issue.

The case moved routinely. But beyond that, the CIA

May 5, 1966

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Page 6

Thursday, May 5, 1966

**A Disturbing Case**

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DETROIT, MICH.  
FREE PRESS

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S-577,640

MAY 5 1966

# Officials' Right to Slander Is Basic Issue in Lawsuit

BY CHARLES NICODEMUS  
Free Press-Chicago News Service

WASHINGTON — Should government officials be free to impugn the reputation of any American they choose, with the guarantee that they can't be held accountable, whether the attack is truthful or no?

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The case opened in November, 1964, when a well-known Estonian emigre, Erik Heine, now living in Toronto, Canada, filed suit for slander against another prominent former Estonian, Juri Raus, now an engineer here for the U.S. Bureau of Public Roads.

Heine, widely publicized as an anti-communist and a freedom fighter, said Raus was spreading tales that Heine was actually a Soviet agent planted in the closely knit Estonian community on this continent.

Raus answered, in court papers, that he had indeed made the statements, and had done so because an agency of

the U.S. Government had given him information on Heine's background.

In January Raus' attorneys dropped a bombshell. They filed a motion to dismiss Heine's suit on the ground that:

—Raus' information on Heine's alleged spy activities had come from the CIA.

—Raus had spread the information at the specific request of the CIA, as an employe of that agency.

—He was therefore entitled to the "absolute immunity" that a little-noted 1959 Supreme Court decision, Barr vs. Mato, conferred on government employes performing their duties.

In this ruling the court said government officials — local, state and national — could not operate properly if they had to always worry that they might be sued for something they did, wrote or said.

So the writings or utterances of such officials must be immune to attack from libel or slander suits, the court rules, regardless of whether any charges made by the officials were malicious or not.

Under prodding by Heine's attorneys and Judge Roszel C. Thomsen, the CIA came into court and admitted that Raus was indeed performing in some paid capacity (the CIA won't say what) when he made his statements about Heine.

But beyond that, the CIA spokesman, Deputy Director Richard Helm, refused to go. He left unanswered such questions as:

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It can be argued that public officials do need protection in the performance of their duties. But giving "protection" is one thing, and granting an unqualified license to smear is something open to question in some observers views.

MAY 4 1966

**CIA Man's 'Counsel'****Detective Is Silent  
On Probe of Heine**

By Stephen S. Rosenfeld

Washington Post Staff Writer

A veteran Washington detective refused yesterday to answer a lawyer's questions about his investigation of Eerik Heine, who has been accused of being a Soviet spy.

The detective, Thomas W. LaVenia, a former Secret Service agent and investigator for the late Sen. Joseph R. McCarthy (R-Wis.), refused on grounds that he is "associate counsel" for Central Intelligence Agency employe Juri Raus.

LaVenia was identified in a Federal Court hearing two weeks ago as one of two "investigators" and "independent contractors" hired to help Raus defend himself against Heine's \$110,000 slander suit.

Under subpoena, he appeared yesterday to give a sworn statement to Heine's lawyers about Raus's relationship with the CIA.

He declined any further comment when reached last night at his home at 1601 Old Stage rd., Alexandria.

LaVenia, 54, graduated from St. Johns University Law School and is a member of the D.C. bar. While working for Sen. McCarthy, he was denied a Defense Department security clearance because, he himself suggested, he had belonged briefly to a student group later tagged by McCarthy as a Communist front, and because of a misunderstanding about his onetime Secret Service role as a "playboy" in the Hyde Park, N.Y., area as

signed to gather information to protect then-President Roosevelt, whose estate was there.

In 1958 the Teamsters paid him \$10,918 to investigate three staff members of the Senate Rackets subcommittee. He was last in the news in 1962 when he was hired by lawyer Paul R. Connolly—Raus's lawyer now—to find out who had bugged a Texas gas man's Mayflower Hotel suite.

Meanwhile Heine's lawyers conferred with Harry C. McPherson Jr., special counsel to the President, on their bid to the White House to let them pass the secrecy barrier thrown up around Raus by the CIA.

The lawyers have invoked an obscure executive order that requires the President to review citizens' complaints about CIA secrecy. They were told by McPherson to prepare a memo on their request that testimony be required on the relationship of Raus and the CIA.

Raus is a Washington highway engineer and leader in Estonian emigre affairs. He says that on CIA orders he called Heine, a former Estonian who now lives in Canada, a Soviet spy in order to discredit Heine in emigre ranks.

Final arguments on a defense motion to dismiss Heine's slander suit are due to be heard in Baltimore Federal Court on May 13.

MAY 4 1966

# Bizarre Ruling In Slander Cases

BY CHARLES NICODEMUS  
Of Our Washington Bureau

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NICODEMUS

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In this ruling, reached by only a 5-4 margin, the court said that government officials—great and small, local, state and national—could not operate properly if they had to always worry that they might be sued for something they did, wrote or said.

So the writings or utterances of such officials must be immune to attack from libel or slander suits, the court ruled, regardless of whether any charges made by the officials were malicious or not. And that lets Raus off the hook, his attorneys argued.

Under prodding by Heine's attorneys and the judge, Roszel C. Thomsen, the CIA—in an unprecedented move—came into court and admitted that Raus was indeed performing in some paid capacity or another (the CIA won't say just what) when he made his statements about Heine.

BUT beyond that, the CIA spokesman, Deputy Director Richard Helm, refused to go leaving unanswered, behind a veil of secrecy, such questions as:

—What proof of the charges does the CIA possess?

—What business did the CIA have meddling in what some observers construe as a "domestic" situation?

Judge Thomsen has scheduled final arguments May 13 on Raus's Motion to dismiss Heine's suit. A ruling is likely soon afterward.

It is unfortunate that the CIA is involved in this case.

For it is already becoming clear that any public attention or outcry that this case evokes will be directed primarily at the CIA, which everyone seems to enjoy kicking—and not at the 1959 Supreme Court ruling, which is the real issue at root.

RICHARD WILSON

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# CIA---Total Immunity?

In a bizarre legal action in Baltimore one Estonian emigre is suing another for slandering him by calling him a Soviet secret agent. The defense, to which the CIA certifies, is the defendant emigre was a CIA agent acting under CIA orders and therefore totally immune from legal responsibility for what he said publicly about his fellow emigre.

The government is taking this matter very seriously both from the point of view of shielding the black arts of the CIA and in establishing the privilege of government officials in the performance of their duties.

It does not seem to matter, in this legal action, whether or not the CIA's emigre lied or told the truth in labeling his fellow Estonian as a Soviet agent. The government contends that he was ordered to do so by his employer, the CIA, and therefore he cannot be called into court to answer for his acts.

So serious is the whole matter that a number of CIA people have come in from the cold to appear publicly in court in Baltimore. Five government lawyers are handling the CIA agent in his court appearances, pulling him off the stand at intervals to instruct him in his answers to questions so that he will not unwittingly reveal how the CIA spy apparatus works.

★

Only the great fictional secret agent 007, James Bond, would know what is really going on, who is a double or triple agent and why the CIA ordered its agent to denounce his fellow emigre. The CIA may be beyond comprehension, but the legal principle on which it relies is not.

This is a highly pernicious principle as it is being applied and is appalling in its ultimate implications. Any truth or lie uttered by a public official against any citizen, under this principle, is privileged if the truth or lie was uttered in the line of duty. A government official, by this standard, has the same immunity as a member of Congress in what he says during official sessions of Congress. Presumably anyone who publishes what the official says would have the same immunity. A bureaucrat can therefore call an honest citizen a thief and get away with it. The citizen has no recourse. If the bureaucrat was acting on official instructions, or even within the "outer perimeters" of the scope of his public employment, this seems so patently absurd

that it shocks the sensibilities to hear it put forward in this context as sound legal principle, a principle, by the way, which has a federal judge in Baltimore completely stumped.

The Estonian who made the charge would be hard put to prove it without, and perhaps with, the support of the CIA. Exactly how it is to be proved in court, even by the CIA, that a person who denies the charge so vehemently is or was in the employ of the Russian KGB is a little hard to visualize. What obviously bothers the CIA is not that one of its agents might have to pay a heavy judgment for slander. There are plenty of secret funds for that contingency. But if it could prove the Estonian was a KGB agent it would have to reveal how it found out. The possibility always remains that it could not prove the accusation even after revealing how it found out.

★

If the accused Estonian is in fact an agent of KGB, as averred by CIA, he is very cunning and audacious. He gave the FBI a perfect opportunity to arrest him by appearing in court in Baltimore last week.

The principle of immunity for official acts and statements may be justified in many cases. A 5-4 Supreme Court decision in the Barr v Mateo case, also a slander action, established the immunity of public statements made by government officials and employees. Government officials acting in good faith are entitled to qualified protection if they speak without malice. But if they speak with malice and are proved wrong then it is the victim of their words who is without protection and must suffer unjustly. That seems to be the case at present.

When secrecy and immunity are combined, as in the Estonian emigre case, a malicious instrument has been created for the destruction of a man's entire career by careless or venomous public officials, and he has no remedy.

We have moved into new conditions since Barr v Mateo and since the late Judge Learned Hand came down in favor of giving the benefit of the doubt and good faith to public officials lest harassing legal actions dampen their ardor in the discharge of their duties.

Judge Roszel C. Thomsen, who is sitting in this case, is not to be envied. He has rightly shown respect for the CIA's imperative for secrecy. How CIA's requirement for secrecy without immunity is the problem.

MAY 4 1966

# Didn't Know of Raus' Link With CIA, Investigator for His Defense Testifies

By ORR KELLY  
Star Staff Writer

The attorney-investigator hired to help defend Yuri Raus, who has been publicly identified as a Central Intelligence Agency agent, testified yesterday he didn't know anything about Raus' connection with the CIA.

Thomas W. Laenia of 1300 Connecticut Ave. NW was questioned for about half an hour during the taking of a deposition by attorneys for Erik Heine, the Estonian expatriate who has complained in a \$110,000 slander suit that Raus called him a Communist and a KGB agent.

Under questioning by Robert J. Standord, one of Heine's two attorneys, Laenia identified himself as an investigator and an attorney and said he had been hired by Hogan & Hartson, the law firm defending Raus.

He said he did not know about Raus' job with the CIA—revealed in an affidavit signed by the deputy director of CIA in January—and considered the case just another lawsuit.

## Details Withheld

He was not permitted, however, to answer questions about how much he had been paid, whom he had talked to in the course of the investigation or where he had traveled during the investigation. Paul R. Connolly, one of Raus' two attorneys, objected that these questions were irrelevant and that they infringed on the relationship between an attorney and his client.

La Venia was an investigator for the late Sen. Joseph R. McCarthy, R-Wis.

At least one part of the case was under review, meanwhile, at the White House.

Stanford and Ernest C. Rascauskas, Heine's attorneys, asked Harry C. McPherson Jr., special counsel to President Johnson, to look into the case under a section of an executive order governing the secrecy regulations of federal agencies.

The executive order, first issued in 1953 and revised as recently as March 6, 1963, spells out who can classify—or declassify—government information as top secret, secret or confidential and what precautions must be taken to protect government secrets.

## Over Classification Avoided

While the order was designed to protect secrets, it was also designed to prevent any government official who felt like it from stamping "secret" on any paper that crossed his desk.

As a further precaution against overzealousness on the part of those with the secrecy

stamps, the order also contains the following paragraph, reportedly included at the insistence of reporters covering the Pentagon:

"Review to insure that information is not improperly withheld hereunder: The President shall designate a member of his staff who shall receive, consider, and act upon, suggestions or complaints from nongovernmental sources relating to the operation of this order."

## Addressed to McPherson

McPherson is the official designated by the President and it was to him that Heine's attorneys addressed their request for White House intervention in the case.

They have argued in court that they are prevented by the secrecy imposed on the details of Raus' job for the CIA from making an effective challenge of Raus' defense that, because he was a government official acting in the course of his duties, he was absolute immunity against a slander suit.

Arguments on the motion by Raus' attorneys for a summary judgment in the case are scheduled to be heard in Baltimore May 19 by Chief Federal District Judge Roszel C. Thomsen.



Front Page	Edt Page	Other Page
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MAY 3 1956

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made in the House or Senate, an immunity which has been extended to some degree to senior, policy-making officials in the executive branch.

This is a pernicious doctrine indeed, one whose effects could be felt long after the present case is forgotten. Any CIA or FBI official or bureaucratic hatchet-man could call any citizen a Communist, Fascist, moral leper, or what have you and escape behind a barrier of "immunity." In the CIA's case the offense is compounded by the claim that "evidence" to support the alleged slander must remain secret.

We hope the federal courts give short shrift to this mischief-making proposition. However, we can see no reason why President Johnson, whose responsibility the CIA is and who just last week reaffirmed his dedication to civil rights, should not meanwhile countermand his agency's anti-libertarian policy.

WASHINGTON STAR

MAY 3 1966

## Johnson Gets Heine Appeal In CIA Case

President Johnson has been asked to order the Central Intelligence Agency to divulge more about its relationship with Juri Raus, a CIA employe who has charged that Erik Heine, Estonian expatriate, is a Soviet agent.

Heine has filed a \$110,000 slander suit against Raus in U.S. District Court in Baltimore. Raus and the CIA, which in 1963 ordered him to "disseminate" the charges against Heine, contend that Raus was acting as a "government official" and consequently is immune from such suits.

Ernest C. Raskauskas, one of Heine's Washington lawyers, asked the White House yesterday to invoke a little-used paragraph of Executive Order 10501 requiring the President to receive and act on complaints from private citizens about operation of CIA security regulations. The petition was referred to Harry C. McPherson, Jr., special counsel to the President.

Raskauskas said this morning that additional disclosures by the CIA would support his client's contention that Raus' relationship with the intelligence agency was not one that granted him immunity as a government employe.

Raskauskas also indicated that he believes additional disclosures by the CIA would show that Raus' charges against Heine are false.

## SUIT ON C.I.A. ASKS WHITE HOUSE STEP

### Estonian Invokes Executive Order in Slander Case

By BEN A. FRANKLIN  
Special to The New York Times

WASHINGTON, May 2—The White House was asked today to intercede in the case of Eerik Heine, an Estonian emigré who is suing an agent of the Central Intelligence Agency for slander for calling him "a dispatched Soviet intelligence operative."

In a request to the White House today, Ernest C. Raskauskas, one of Mr. Heine's Washington lawyers, sought to invoke Section 16 of Executive Order 10501, a little-used paragraph that requires the President to receive and "take action upon" complaints from private citizens about the operation of secrecy regulations at the C.I.A.

A White House aide said the petition would be referred to Harry C. McPherson Jr., special counsel to the President.

Mr. Heine, 46 years old, of Toronto, is widely known in Estonian expatriate circles in this country and Canada as a militant anti-Soviet Estonian nationalist and former anti-Communist partisan fighter in his Baltic homeland.

The C.I.A. has acknowledged that in 1963 it ordered Juri Raus, another Estonian emigré acting as one of its undercover agents, to "disseminate" charges that Mr. Heine was really an agent of the K.G.B., the Soviet Committee on State Security.

#### Suit Filed in Baltimore

In November, 1964, after demanding and failing to receive a retraction from Mr. Raus, Mr. Heine filed a \$110,000 slander suit against him in the United States District Court in Baltimore.

Mr. Raus's answer to the suit, including a series of four affidavits by C.I.A. officials, disclosed that he was "concurrently" a C.I.A. agent while serving as a Federal highway engineer in Washington. The C.I.A. accordingly, asked for a summary dismissal of Mr. Heine's suit on the ground that Mr. Raus had been acting as a "Government official," immune from such defamation judgments.

Mr. Raskauskas and Robert J. Standord, Mr. Heine's Washington lawyers, have been barred, however, from challenging the dismissal motion by questioning Mr. Raus. The C.I.A. has forbidden Mr. Raus on the ground of national secu-

rity to answer questions in court that would allow Mr. Heine to attempt to knock down the immunity claim.

If the C.I.A. were not invoking the protection of secrecy, details of Mr. Raus's relationship with the agency — as a full-time or part-time agent, or as a "casual" occasional employe, for example—would be arguable points in opposing his motion for summary dismissal of the slander suit.

#### Section Is Quoted

The appeal to the White House was based on this paragraph in Executive Order 10501, the 1953 Presidential regulation that controls, in part, the secrecy procedures of the C.I.A.:

"Sec. 16. Review to insure that information is not improperly withheld hereunder: The President shall designate a member of his staff who shall receive, consider, and act upon, suggestions or complaints from nongovernmental sources relating to the operation of this order."

Mr. Raskauskas indicated that he would seek to persuade the White House that the C.I.A., having made the decision publicly to discredit Mr. Heine by instructing its agent to spread charges against him among Estonian émigré groups, did not now have the right to claim both immunity and secrecy in seeking to prevent either a trial of the slander suit or recovery of money damages by Mr. Heine.

This was a more general contention than the narrow point of law involved in arguments on the dismissal before Judge Roszel C. Thomsen in Baltimore. He has scheduled another hearing there on May 13.

Mr. Raskauskas informed the court today by memorandum of his administrative appeal to the White House.

In another move to penetrate the immunity claim of Mr. Raus, Mr. Raskauskas obtained a subpoena for Thomas W. LaVenia, a Washington private detective, in an attempt to have Mr. LaVenia explain his role in investigating Mr. Heine last year. The subpoena requires the investigator to answer questions under oath in a deposition to be taken next Monday at 10 A.M.

The timing of Mr. LaVenia's investigation — after Mr. Heine had filed his slander suit — has raised questions, according to Mr. Heine, about the validity of the C.I.A. charges against him.

If the agency was sure of its information in 1963, when it acted to discredit Mr. Heine as "a dispatched Soviet intelligence operative, a K.G.B. agent, why was it necessary to hire a private investigator in 1964 to check on Mr. Heine's background, Mr. Heine's lawyers ask.

Mr. LaVenia declined today to make any comment on the

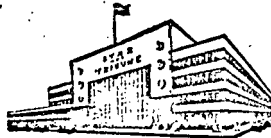
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# Minneapolis Tribune

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We hope the federal courts give short shrift to this mischief-making proposition. However, we can see no reason why President Johnson, whose responsibility the CIA is and who just last week reaffirmed his dedication to civil rights, should not meanwhile countermand his agency's anti-libertarian policy.

# The CIA and American Interests

Newspaper articles were published recently purporting to reveal details of the system of espionage employed by the U.S. Central Intelligence Agency. However well intended, if the purpose was to start a crusade in Congress to restrict intelligence operations, this cannot but in the long run damage the interests of the American people.

The Central Intelligence Agency is not authorized to carry on any espionage within this country or to handle internal-security problems, as all of these are responsibilities of the FBI. The CIA confines its operations to foreign countries, where, of course, it is subject to local laws as well as the counter-measures of agents of other governments which are hostile to the United States.

Espionage is in many ways dishonorable. To take a simple but far-reaching illustration, the secret acquisition of messages and the breaking of a Japanese code by agents of the United States in the years just prior to World War II enabled our armed forces to know in advance details of ship movements. This later played a vital role in naval engagements in the Pacific, particularly in the crucial battle of Midway, in which the Japanese fleet was defeated.

The "cold war" is not unlike a "hot war" in its risks to the safety of the American people. Information about the existence of missile bases in Europe, Africa or Asia, the plotting is against the United States.

enabling the United States to protect itself in time.

The recently published articles were the result of an honest and conscientious reporting effort, though errors did creep in, especially in the inference conveyed that certain committees of Congress are "controlled" by the CIA. The purpose of the articles, it was asserted, was to fix responsibility and also to tighten control of the CIA by Congress.

But for many years two committees in the House of Representatives and two in the Senate have been taken into the confidence of the CIA and have known about its methods of operation. The members could ask any questions they wished. If these committees, composed of loyal Americans, had felt that the CIA was doing something wrong, they could have long ago transmitted to the President their objections or could have demanded open inquiries and investigations.

One of the fundamental rules of intelligence work is to let as few people as possible know what is going on, so as to guard against leaks and the danger of infiltration or unwitting disclosure of secrets by persons who are not alert to the tricks used by agents of other countries. There would be risks, for instance, in opening up intelligence operations to the staffs of our embassies abroad or to a lot of officials in the State Department. Some might not withhold from foreign diplo-

mats at social gatherings bits of information considered irrelevant but which might have significant value to the other side. The secretary of state is, of course, kept informed.

Mistakes naturally are made in espionage and other intelligence activities. So also are errors of judgment committed by generals in the heat of battle. Inefficiencies of the CIA can be discovered and remedied by responsible officials. The President of the United States is, after all, the commander-in-chief of the military forces and the boss of the intelligence system. He is the final judge as to whether a step that has been taken was or was not desirable. Corrective measures can always be applied.

Undoubtedly the Communists will have a field day when they read some of the published articles about the internal workings of the CIA. It is a tragic mistake to furnish them with this information.

The press of the United States has in World Wars I and II maintained a "voluntary censorship." The same system ought to prevail during a "cold war," especially when it comes to deciding whether to disclose in print the secret methods used by the American government in trying to deal with enemy intrigue inside foreign countries. For, whether carried on in Europe, Africa or Asia, the plotting is against the United States.

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WINSTON-SALEM, NC  
TWIN CITY SENTINEL

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MAY 2 1968

## Agencies and Individuals

**T**HE Central Intelligence Agency faces a built-in disadvantage in its public relations because it so often can explain only part of any of its activities that come to public notice. But the most recent instance of CIA embarrassment raises some basic questions about the relationship between an individual and a government agency.

This episode concerns two Estonian refugees, Juri Raus and Eerik Heine. Mr. Heine filed suit for slander after Mr. Raus denounced him as a "dispatched Soviet intelligence operative, a KGB agent."

But the CIA has asked the court that Mr. Heine's suit be summarily dismissed because his accuser, Mr. Raus, turns out to be an agent of the CIA. According to the Agency's deputy director, Mr. Raus acted under orders, and therefore his attacks on Mr. Heine were "absolutely privileged." The judge has rendered no opinion on the CIA's argument.

To avoid a breach of security, the CIA argues that its agent should not be compelled to stand trial for slander. If this view were sustained, Mr. Heine would be denied the opportunity to confront his accusers in court.

Obviously a government agency must have certain immunities if it is to operate without undue timidity. But such immu-

nities are not absolute; police agencies, for instance, may be forced to defend themselves against false arrest charges or defamation of character under certain circumstances. Does a secret intelligence agency have a right to slander some one in the course of what it conceives to be its duties and then deny him—on grounds that it cannot reveal its methods of operation—any recourse under law? What if it is wrong in its accusations?

The Supreme Court, in a divided opinion several years ago, held that government agencies are so privileged. But the Chief Justice, Earl Warren, wrote for the four-man minority that the court was opening the way to real abuse.

By its very nature the CIA is compelled to operate outside the law. This mode of operation has risks for the agency and its agents. It accepts those risks as a necessary adjunct of its clandestine activities. The courts and other agencies of government should cooperate as much as they possibly can.

But the court should be wary lest any rule it lays down should give a secret agency an unchecked license to slander. And the agency should be certain that it does not place a court, as it is seeking to do in this case, in the position of denying a man the right to seek a remedy under law.

May 2, 1966

## Basic Rights vs. CIA Immunity

By RICHARD WILSON  
Chief of the Tribune's  
Washington Bureau  
Washington,

IN A BIZARRE legal action in Baltimore one Estonian emigre is suing another for slandering him by calling him a Soviet secret agent.

The defense, to which the Central Intelligence Agency certifies, is that the defendant emigre was a CIA agent acting under CIA orders and therefore totally immune from legal responsibility for what he said publicly about his fellow emigre.

The government is taking this matter very seriously, both from the point of view of shielding the black arts of the CIA and in establishing the privilege of government officials in the performance of their duties.

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Judge Roszel C. Thomsen, who is sitting in this case, is not to be envied. He has rightly shown respect for the CIA's imperative for secrecy. How the CIA can maintain its secrecy without immunity is the problem.

But entirely aside from the two Estonians, a larger American imperative is also involved — that of protecting the citizen from malicious acts by government.

MAY 2 1966

CHARLES BARTLETT

## Moscow Plagued by Jitters Over Baltic Exiles

NEW YORK — The question of whether Eerik Heine is a Communist agent or an patriotic Estonian hero serves at least to direct attention to the Soviet enslavement of the Baltic republics. This reminder is useful at a time when the Kremlin is making freedom an issue in South Viet Nam.

Whatever Heine proves to be, there are ample grounds for the charge that Moscow sends agents to penetrate exile communities. Others have made this effort. In fact the greatest mark of Soviet concern for the nations it has occupied is the attention it accords their exiles.

A young Estonian named Artur Haman landed in Sweden after escaping from Soviet territory in 1955. He was an attractive, bright young fellow and he took a part-time job with the Associated Press while he studied at Stockholm University. Later he worked with Estonian groups in Sweden and wrote a textbook in Swedish for Estonians. He was completely accepted by his fellow exiles. He came to the United

States in 1961 to attend a congress of linguists. The CIA had established that he was an agent. He was interviewed closely during his stay and when all the questions had been asked, he was advised to leave the country. He returned to Stockholm but disappeared during May 1963. No one knew what had happened to him until a letter appeared five months later over his name in Izvestia. It complained that he had been hounded out of the West by CIA persecution.

Soviet policy toward exiles from the Baltic states and the Ukraine is to keep them penetrated, intimidated and, if possible, divided. A Communist newspaper, Homeland, is distributed in their native tongues and it persistently attacks the exile leadership. Occasionally an active exile leader is assassinated in Europe by Soviet agents.

All this activity could betray a sense of insecurity on the part of the Kremlin. A Latvian elevated to the Soviet presidium, Arvid Pelshe, told the party Congress there are "quite a few difficulties,"

including a failure to attach sufficient significance to Marxism, in the Baltic republics. But the guerrilla bands, encircled by the Soviet army and unaided by the West, stopped fighting in the early 1950's. None of the ingredients of an uprising exists today.

Still these nations were highly literate before the Soviets seized them in 1939 and their cultures are being doggedly preserved against the rigors of the Communist system. A spirit of nationalism is sustained in language and literature, a sort of cultural subversion encouraged by the exiles.

"Bourgeois nationalism" is a serious sin in Communist eyes but its persistence is attested to by reports reaching the West that a large number of writers, more than 20 and less than 40, were arrested in the Ukraine last fall. Such activities keep alive the exiles' hopes that liberation, sparked from within, may one day be attainable.

The prospect seems remote but it is hard to believe that the book has been closed on

this sordid chapter in history. The Baltic states were the first to recognize the Soviet government in 1920 and the first to be swallowed in 1939.

One year of Communist rule was so brutal that the Germans were received as liberators in the Baltic states. They had endured the rigors of false elections, mass deportations, and shootings and they counted on the West's determination to save them from a return of the Russians.

But their rescue lost its priority as the war unfolded. Churchill and Roosevelt gradually acceded to Stalin's insistence upon having the Baltic states. "In a deadly struggle," Churchill wrote later, "it is not right to assume more burdens than those who are fighting for a great cause can bear."

The United States could perhaps have used its nuclear weight to save these countries at the end of the war. The evidence of the Heine case that the CIA is involved with the Baltic exiles is reassurance at least that the cause of freedom is being kept alive.



*Legis Counsel*

UKH  
K5B  
JBY

UPI-58  
(CIA)

WASHINGTON--AN ESTONIAN REFUGEE WHO IS SUING A CIA AGENT FOR SLANDER ON GROUNDS HE WAS CALLED A SOVIET SPY IS ASKING THE WHITE HOUSE TO BREAK THE ~~JOHN EDGAR HOOVER~~ SECRET IN THE CASE.

ERNEST C. RASKAUSAS, AN ATTORNEY FOR ESTONIAN NATIONALIST LEADER EERIK HEINE, CONFIRMED THAT HE HAD PETITIONED THE WHITE HOUSE FOR A REVIEW OF THE CASE ~~UNDER~~ ~~THE~~ ~~ORDER~~ WHICH PROVIDES FOR ACTION ON COMPLAINTS ABOUT CIA SECRECY REGULATIONS.

RASKAUSAS SAID THAT HARRY C. MCPHERSON JR., WHITE HOUSE SPECIAL COUNSEL, HAD ASKED HIM TO PREPARE A MEMORANDUM ON THE REQUEST THAT TESTIMONY BE REQUIRED ON THE RELATIONSHIP OF THE DEFENDANT, CIA AGENT JURI RAUS, TO THE SUPERSECRET AGENCY.

THE LAWYER SAID THE MEMORANDUM MIGHT BE SENT TO THE WHITE HOUSE TODAY. A WHITE HOUSE SPOKESMAN SAID ONLY THAT THE PETITION FOR REVIEW HAD BEEN RECEIVED YESTERDAY AND WAS UNDER STUDY BY MCPHERSON.

HEINE, 46, NOW MAKES HIS HOME IN TORONTO, CANADA. HE IS KNOWN IN ESTONIAN REFUGEE CIRCLES AS A FORMER PARTISAN FIGHTER IN HIS NATIVE COUNTRY AND AS A MILITANT ANTI-SOVIET NATIONALIST.

HE SUED RAUS FOR \$110,000 IN U.S. DISTRICT COURT IN BALTIMORE, CHARGING HE HAD BEEN CALLED "A DISPATCHED SOVIET INTELLIGENCE OPERATIVE" TO DISCREDIT HIM WITH REFUGEE GROUPS.

IN A RARE PUBLIC ADMISSION OF ITS ACTIVITIES, CIA OFFICIALS ANSWERED IN AFFIDAVITS THAT RAUS, AN ESTONIAN NATIONAL EMPLOYED AS A GOVERNMENT HIGHWAY ENGINEER, HAD BEEN WORKING FOR THE AGENCY WHEN HE CHARGED HEINE WITH BEING AN AGENT OF THE SOVIET KGB SECRET POLICE.

THE AFFIDAVITS SAID RAUS HAD MADE THE CHARGES UNDER CIA ORDERS. THE CIA CLAIMED THAT BECAUSE HE WAS ACTING AS AN AGENT OF THE U.S. GOVERNMENT HE THEREFORE WAS IMMUNE FROM A JUDGMENT IN THE CASE.

RAUS DECLINED ON THE WITNESS STAND TO ANSWER QUESTIONS ABOUT HIS RELATIONSHIP WITH THE CIA ON GROUNDS OF NATIONAL SECURITY. A MOTION BY HIS LAWYERS FOR A SUMMARY DISMISSAL OF THE CASE WILL BE HEARD.

RASKAUSAS SAID THE MOVE FOR WHITE HOUSE INTERVENTION WAS AIMED AT "FINDING OUT WHAT RAUS' STATUS WAS AT THE TIME THE SPY CHARGES WERE MADE." THE CIA'S "CLAIM OF SECRECY" HAS MADE IT IMPOSSIBLE TO DETERMINE THIS, HE SAID.

HEINE'S LAWYERS CONTEND THAT ONCE THE CIA HAD MADE THE DECISION TO PUBLICLY DISCREDIT HEINE IT DOES NOT NOW HAVE THE RIGHT TO RETREAT BEHIND A SECRECY PRIVILEGE TO PREVENT A TRIAL OF THE SUIT.

5/3--GEATDI227PES

Front Page	Editor Page	Other Page
		BT
LONG BEACH, CALIF. INDEPENDENT, PRESS-TELEGRAM		
S. 145,394		
MAY 1 1966		

## Privilege to Slander Unpatriotic

"ABSOLUTE PRIVILEGE" not to testify in a slander suit has been claimed by the Central Intelligence Agency.

A Canadian, born in Estonia, brought a slander suit against a CIA agent, charging that the agent had circulated rumors that the Canadian was a double agent for the Communists. The Canadian had been active in anti-Communist work as a lecturer.

Does the CIA have absolute privilege under the law? That is something the courts must decide, but if such law exists, it should be promptly repealed.

The CIA, America's huge intelligence organization, must have broad privilege. If its records could

be subpoenaed and its agents forced to testify concerning their activities, national security would be endangered.

Slander, however, does not come under the heading of official activities. It is an act of personal malice, no matter if it were ordered by the government. Spies have also killed in defense of their government. When caught, they are treated as common murderers.

Privilege has its limits. Clergy, lawyers and physicians need not tell what they heard while carrying out their professional activities. Aside from that, such men are just citizens. If they circulated slander, they would be open to suit or even criminal action.

\* \* \*

TO CALL ANYONE a Communist is libel per se in the United States. The victim of the slander doesn't have to prove that he is not a Communist. He simply has to prove that the word was said.

If spies have legal privilege beyond other citizens, America has departed from the meaning of its Constitution.

WASH.

MAY 1 1966

RICHARD WILSON

## The Alarming Philosophy Involved in CIA Suit

In a bizarre legal action in Baltimore, one Estonian emigre is suing another for slandering him by calling him a Soviet secret agent. The defense, to which the CIA certifies, is that the defendant emigre was a CIA agent acting under CIA orders and therefore totally immune from legal responsibility for what he said publicly about his fellow emigre.

The government is taking this matter very seriously both from the point of view of shielding the black arts of the CIA and in establishing the privilege of government officials in the performance of their duties.

It does not seem to matter, in this legal action, whether or not the CIA's emigre lied or told the truth in labelling his fellow Estonian as a Soviet agent. The government contends that he was ordered to do so by his employer, the CIA, and therefore he cannot be called into court to answer for his acts.

So serious is this whole matter that a number of CIA people have come in from the cold to appear publicly in court in Baltimore. Five government lawyers are handling the CIA agent in his court appearances, pulling him off the stand at intervals to instruct him in his answers to questions so that he will not unwittingly reveal how the CIA spy apparatus works.

Only the great fictional Secret Agent 007, James Bond, would know what is

really going on, who is a double or triple agent and why the CIA ordered its agent to denounce his fellow emigre. The CIA may be beyond comprehension, but the legal principle on which it relies is not.

This is a highly pernicious principle as it is being applied and is appalling in its ultimate implications. Any truth or lie uttered by a public official against any citizen, under this principle, is privileged if the truth or lie was uttered in the line of duty. A government official, by this standard, has the same immunity as a member of Congress in what he says during official sessions of Congress. Presumably anyone who publishes what the official says would have the same immunity. A bureaucrat can therefore call an honest citizen a thief and get away with it. The citizen has no recourse if the bureaucrat was acting on official instructions, or even within the "outer perimeters" of the scope of his public employment.

This seems so patently absurd that it shocks the sensibilities to hear it put forward in this context as sound legal principle, a principle, by the way, which has a federal judge in Baltimore completely stumped.

The Estonian who made the charge would be hard put to prove it without, and perhaps with, the support of the CIA. Exactly how it is to be proved

in court, even by the CIA, that a person who denies the charge so vehemently is or was in the employ of the Russian KGB is a little hard to visualize. What obviously bothers the CIA is not that one of its agents might have to pay a heavy judgment for slander. There are plenty of secret funds for that contingency. But if it could prove the Estonian was a KGB agent it would have to reveal how it found out. The possibility always remains that it could not prove the accusation even after revealing how it found out.

If the accused Estonian is in fact an agent of KGB, as averred by CIA, he is very cunning and audacious. He gave the FBI a perfect opportunity to arrest him by appearing in court in Baltimore last week.

The principle of immunity for official acts and statements may be justified in many cases. A 5-4 Supreme Court decision in the Barr V. Mateo case, also a slander action, established the immunity of public statements made by government officials and employees. Government officials acting in good faith are entitled to qualified protection if they speak without malice. But if they speak with malice and are proved wrong then it is the victim of their words who is without protection and must suffer unjustly. That seems to be the case at present.

When secrecy and immunity are combined, as in the Estonian emigre case, a

malicious instrument has been created for the destruction of a man's entire career by careless or venomous public officials, and he has no remedy. Every Internal Revenue agent, customs inspector, FBI agent, narcotics agent, even a Capitol policeman, is immune in what he says of a citizen if by the most liberal construction such statements lie within the outer perimeters of his duty. There must be some sharper defined point where the scope of his duties ends.

We have moved into new conditions since Barr V. Mateo and since the late Judge Learned Hand came down in favor of giving the benefit of the doubt and good faith to public officials lest harassing legal actions dampen their ardor in the discharge of their duties. The relations between the individual and the government have multiplied. The hand of the law and the eye of the tyrant are a little heavier and a little sharper.

Judge Roszel C. Thomsen, who is sitting in this case, is not to be envied. He has rightly shown respect for the CIA's imperative for secrecy. How CIA can maintain its secrecy without immunity is the problem. But entirely aside from the two Estonians a broader and longer range American imperative is also involved, that of protecting the citizen from malicious acts by government. Perhaps this case will give a differently composed Supreme Court the chance to review the 5-4 Barr V. Mateo decision.

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MAY 1 1966

## Canada Eyes Heine's Suit Against Raus

By ORR KELLY  
Star Staff Writer

The Royal Canadian Mounted Police liaison officer in Washington first heard about Eerik Heine, who has been described by the Central Intelligence Agency as a Soviet agent, when he read about the case in the newspapers.

Inspector Peter Bazowski said he obviously could not reveal details of information transmitted through him between United States and Canadian agencies, but he added:

"In this case, I can say quite honestly that all I know about it is what I have read in the newspapers."

Heine, a 46-year-old resident of Rexdale, a suburb of Toronto, has said he was granted Canadian citizenship in August 1964 about three weeks after he had been questioned by RCMP officers regarding rumors circulating in the Estonian emigre community that he was a Communist and a Soviet KGB agent.

Since then, the CIA has revealed in connection with Heine's \$110,000 slander suit against Juri Raus, 39, of Hyattsville, Md., that Raus is a CIA agent and that he was instructed to warn fellow Estonians that Heine was a Soviet agent.

Disclosure of the CIA's involvement in the case has brought angry comment from the Canadian press but little reaction from the Canadian government.

In Washington, Yvon Beaulne, minister of the Embassy of Canada, indicated that the Canadian government felt that any statement on the case at this time, while it remains a private law suit between one individual and another, would only further complicate an already complicated situation.

If Heine had been accused and brought to trial in the United States, he said, there would be "some official interest on the part" of the government. But in this case, he noted, it was Heine who instituted the court proceedings.

The district in which Heine lives just outside Toronto is represented in the Canadian House of Commons by Robert Winters, who is also minister of trade and commerce.

Contacted in Ottawa, he said, he, too, knew nothing about the case except what he had read in the newspapers. He said he would take a personal interest in the case if Heine asked for help.

# The Law

## The Spy Story That Came Into Court

By FRED P. GRAHAM

Special to The New York Times

WASHINGTON, April 30—In the popular novel and film, "The Spy Who Came In From the Cold," a British agent rigs a trial in an Iron Curtain country to frame and eliminate an important enemy official. No moral is drawn from this, and despite the fact that the court appears to be earnestly trying to do justice, there is no suggestion of outrage at the result.

This week, however, when the Central Intelligence Agency threw a legal monkey wrench into a trial in Baltimore's Federal District Court, the implications struck closer to home.

For the first time in anyone's memory, an admitted American intelligence agent appeared as a witness in an American court of law. The result was so unsatisfactory that it raised fundamental questions as to whether the espionage activities of the Government can be reconciled with our system of justice.

### Slander Suit

The incident began in 1963, when Kurt Raus of Washington, an Estonian emigré leader, began publicly to label another expatriate Estonian as a Soviet agent. This man, Erik Heine of Toronto, claiming he wished to vindicate his position as an anti-communist hero, filed a \$100,000 suit against for slander.

The suit appeared to be a petty squabble between two members of the Estonian community until 10 days ago, when it was discovered that Richard Helms, deputy director of the Central Intelligence Agency, had quietly submitted affidavits to Federal District Judge Roszel C. Thomsen, asking that the case against Mr. Raus be dismissed.

His reason: Mr. Raus has "absolute immunity" from suit because his slanderous statements were made in his capacity as an agent of the C.I.A., pursuant to his superiors' orders to discredit Mr. Heine as "a dispatched Soviet intelligence operative, a K. G. B. agent." The C.I.A.'s stated purpose for spreading this story was "to protect the integrity of the foreign intelligence sources" within the Estonian community.

The C.I.A. invoked two controversial 1959 Supreme Court decisions, in which a sharply divided court had expanded the sweep of governmental immunity. The Con-

solute immunity for any speech or legislative action done in session, and the high court had previously extended the same immunity to judicial officers and cabinet-rank officials of the executive branch.

But in the two 1959 cases, the Supreme Court stretched the privilege further, to excuse an acting director of the Office of Rent Stabilization and a Navy captain who was commanding officer of the Boston Navy Shipyard.

But even these fears were based upon an assumption that the Government would always act with honorable motives and a sense of fair play. They reckoned without the C.I.A.'s special claim to operate outside the conventional rules.

On Thursday, when Mr. Raus appeared before Judge Thomsen in Baltimore, these contradictions turned the proceedings into a fiasco.

Supported by a five-man team of attorneys that included Lawrence R. Houston, the C.I.A.'s general counsel, Mr. Raus maintained his refusal to answer questions. He

was backed by an affidavit from C.I.A. director W. F. Raborn, who also said Mr. Raus's testimony might compromise U. S. intelligence secrets. His lawyers added

Both sides have said they will appeal if they lose so the Supreme Court may have an opportunity to re-examine its governmental immunity doctrine in the light of cold war morality.

## SILENCE IMPOSED ON CIA DEFENDANT

~~-BALTIMORE SUN 29-4-68~~

### Privilege Claimed To Bar Replies In Slander Case

The Central Intelligence Agency asserted a claim of absolute privilege yesterday in Federal Court to keep the defendant in a \$110,000 slander suit from answering questions.

In an unusual hearing before Chief Judge Roszel C. Thomsen, the super-secret spy agency blocked attempts by a man who says he is an Estonian patriot to gain information.

#### Session Set May 13

After the court session, Judge Thomsen asked attorneys to return May 13 to discuss moves to end the two-year slander action brought by Eerik Heine, of Rexdale, Ont.

Mr. Heine claims that a Government worker in Maryland made statements to Estonian freedom workers that jeopardized his reputation as a lecturer on his exploits as fighter for a free Estonia.

#### CIA Files Affidavits

He identified the man as Juri Raus, of Hyattsville, who served in 1963 as the national commander of the Legion of Estonian Liberation.

The CIA entered the case through a series of affidavits, declaring that it had furnished the information to Mr. Raus in the interest of national security.

From the witness stand yesterday, Mr. Raus was permitted to say only that he had received money from the CIA, although his principal income came from a job with the Bureau of Public Roads.

#### Statutory Grounds Cited

When attorneys for Mr. Heine indicated they wanted him to reveal his meetings with CIA agents, the sources of information furnished and the persons who gave it, the silence ban was invoked.

Lawrence R. Houston, general counsel for the agency, pointed out that the CIA had statutory grounds for keeping such information secret and would refuse to allow Mr. Raus to testify further.

# Agent, Under Eye of CIA, Takes Stand in Heine Suit

By ORR KELLY  
Star Staff Writer

BALTIMORE — Juri Raus, who has accused a fellow Estonian immigrant of being a Communist KGB agent, spent nearly two hours on the witness stand here yesterday as part of a calculated exercise in futility.

While the general counsel of the Central Intelligence Agency quietly nodded or shook his head toward Raus after each question, attorneys for the man Raus is accused of slandering demonstrated that they were clearly blocked from learning anything relevant from Raus about his job as an agent of the CIA.

Erik Heine, the man accused by Raus, came here from his home near Toronto for the hearing and sat grimly through the attempt to take a deposition from Raus.

Sitting at the table with Raus' attorneys was Lawrence Houston, CIA general counsel, who was sent personally by CIA Director William F. Raborn to instruct Raus on what questions he would be permitted to answer.

### 3 CIA Affidavits

In three affidavits submitted to the court in connection with Heine's slander suit against Raus, the CIA has

identified Raus as a CIA agent and has said that he was instructed to warn Estonians in this country that Heine was a "dispatched Soviet Intelligence operative, a KGB agent."

In a paper filed with the court yesterday morning, Raborn said he was sending Houston "to assist in protecting information relating to intelligence sources and methods."

Raus was permitted to answer a number of routine questions such as his name, address, age and birthplace during the taking of the deposition.

But the government objected when Heine's attorney, Ernest C. Raskauskas, attempted to learn whether Raus was paid by the CIA and how he was paid.

After a conference, Houston told Chief Federal District Judge Roszel C. Thomsen that Raus had been paid "directly or indirectly" for his services to the CIA during the period in which he made the statements about Heine.

Raus mentioned — in answering a question about his service in the Army reserve — that he had attended an intelligence school last summer. He was not permitted to answer any further questions about the location of the school or what he studied there.

In answer to questions, Raus

said that he had filed annual federal income tax statements, but he was not permitted to say what total income he had reported.

When Raskauskas attempted to ask a series of questions concerning who at the CIA had supplied Raus with information about Heine and precisely what information he had been furnished, Maroney and Houston objected.

### Hearing Set On Motion

When it became clear that no further relevant information could be obtained, Raskauskas dismissed Raus from the witness chair and a hearing was scheduled for May 13 on Raus' motion for a summary judgment based on his claim that he has privilege against a slander suit because he was acting as an official of the U.S. Government.

Heine said afterward that one of his purposes in coming here was to make himself available if any agency of the government wanted to question him about his alleged involvement with the KGB—or even to arrest him. No one bothered him.

U.S. Attorney Thomas Kenney, who sat only a few feet from Heine during the hearing, explained later that it is one

thing for the government to know something about a person and another thing entirely to be able to prove in court that he has committed a specific crime



WASH. EVENING STAR, 28 APR 1966.

# Heine Clears U.S. Customs On Way to CIA Court Fight

By ORR KELLY  
Star Staff Writer

What happens to a person accused as a spy when he tries to cross the border into the United States?

The same thing that happens to ordinary tourists. He loses his luggage.

Erik Heine, who has been described by the Central Intelligence Agency as "a dispatched Soviet intelligence operative, a KGB agent," went through U.S. customs and immigration inspection at Toronto without a hitch yesterday on his way here to attend a court hearing in Baltimore today.

The only trouble on the whole trip came at Washington National Airport when he tried to find someone who knew where he could claim his baggage with the little red claim check the customs agents had given him in Toronto.

Finally, he was sent to the air cargo office in the hangar farthest removed from the terminal. There, he was given a piece of paper and told to take it to the customs office, another half mile away.

Finally, he got the luggage.

## Seemed Pleased

Heine, who was half expecting to be arrested when he went through customs in Toronto, seemed pleased when one of the agents said he thought he recognized his name.

But the other agent nudged him and said, "Aw, you're thinking of Sonja Heine."

Heine, a resident of Rexdale, a suburb of Toronto, checked in at the American Airlines ticket counter at the Toronto International Airport a little before 8:30 a.m. He was directed to the U.S. customs counter just behind the ticket counter.

A polite and cooperative U.S. customs agent asked the usual questions about what he was carrying.

Heine told him he had with him a film of a two-hour movie based on his experiences as a guerrilla fighter against the Russians in the forests of Estonia.



—Star Staff

EERIK HEINE  
Man without luggage.

Heine showed the agent a brochure printed in both English and Estonian describing the film.

The agent then suggested he get a certificate from Canadian customs so he would have no trouble bringing the film back into Canada.

"He was very cooperative, most helpful," Heine said.

When Flight 402 was called, Heine went to Boarding Room 30 in the new circular terminal building.

His ticket was checked by an airline agent and he then showed his plastic, wallet sized Canadian passport to a blue-shirted U.S. Immigration and Naturalization Service officer. The card carries his picture and both his signature and his typewritten name.

Routinely, the agent asked where he was from, where he was going and how long he would be there.

He then stamped the ticket, "Admitted, April 27, 1966."

"Wheew," said Heine, as he stepped into the waiting room,

"I really hoped they would arrest me. Then I would have my day in court."

A spokesman for the Toronto office of the U.S. Immigration and Naturalization Service expressed surprise when informed of the CIA's description of Heine. "We've heard nothing about him," the spokesman said. "We've received no instructions of any sort about him. It was just another routine clearance for us."

Juri Raus, who made the accusations against Heine, has pleaded absolute immunity against the slander suit because he said he was making the statements in the course of his job as an agent of the CIA. Thus, the truth or falsity of the charges may never be tried in court.

As he settled himself in a window seat on the new twin jet BAC-400, Heine talked freely about his case.

"It is sad, very sad," Heine said.

## No Hard Feelings

"CIA and I are both on the same side.

"The Soviets will win both ways.

"If they destroy me, they will remove a fighter. If I am cleared, it hurts the CIA. I want to make it clear that I have no hard feelings against the CIA. We fight the same fight."

The ground below was not visible as the plane carrying Heine crossed the U.S.-Canadian border at 27,000 feet about 9:35 a.m.

He landed at LaGuardia Airport in New York a little less than an hour later.

As he stepped off the plane onto a red-carpeted boarding ramp he remarked with a chuckle:

"Here I am on American soil." Then he flew on to National.

After finally getting his luggage, he met with his attorneys, Ernest C. Raskauskas and Robert J. Stanford, in preparation for today's hearing, in which they will attempt to take a deposition from Raus.

# Accuser Offered Money, Heine Says

## Evidence He's a Spy Claims CIA Has No

to Washington to submit to deposition questioning by Mr. Raus' attorneys, and in the four-day session his testimony covered 925 pages.

His story: After the flag incident, he fled Tartu, his

His parents, by claiming German ancestry, were allowed to go to Germany, and he won his freedom just before the Russo-German war broke out. He immediately enlisted in an Estonian unit of the German

BALTIMORE, Apr. 29 — Erik Heine's jutting jaw is topped by a tiny, grandmother-wrinkled mouth.

It got that way, he explained, because Russian political police kicked out his upper front teeth in 1940 after he tried to tear down the red flag with which the communists had replaced the Estonian tricolor on his home town high school.

He came here yesterday to hear the deposition of another Estonian refugee whom he is suing for \$110,000 for telling Estonian refugee groups he is a "communist" and a "KGB agent."

### A CANADIAN

Before he left the Federal Courthouse, Mr. Heine, 45, now a Canadian citizen and foreman of a picture frame factory near Toronto, invited U.S. authorities to arrest him or interrogate him if they think the charges are true.

His trip turned out to be largely a dud. The defendant, Juri Raus, 39, a Bureau of Public Roads traffic engineer, of 5103 43d-av, Hyattsville, answered only one question pertaining to what has now become the central issue in the case: Is he entitled to immunity because he was acting under orders as a Central Intelligence Agency agent when he warned meetings of the Legion of Estonian Liberation to be wary of Mr. Heine?

That came when he affirmed the statement by CIA General Counsel Lawrence Houston that he was in fact on the CIA payroll when the statements were made.

### 15 QUESTIONS

But Mr. Houston and two other Federal lawyers ordered him not to answer 15 other questions touching on his connection with the agency.

Filed in the case yesterday was an affidavit from CIA Director Admiral W. F. Rayborn that Mr. Raus had indeed been acting under CIA orders, and therefore had "absolute privilege" to make his statements. To disclose any



Mr. Raus, outside the courthouse, with his lawyers, Paul Connally, left, and E. Barrett Prettyman. —News Photos by Wehner Streets

details of CIA operations would be a violation of the Secrecy Agreement signed by Mr. Raus and the Espionage Act, the affidavit said.

That affidavit followed three previous ones from Deputy Director Richard Helms, each of them "a little stronger than its predecessor in a sort of "would you believe —" series.

### KGB AGENT

The last one from Mr. Helms said Mr. Raus had been "told in a series of CIA conferences that Mr. Heine was a dispatched Soviet Intelligence operative and a KGB agent," and was "instructed to warn Estonian emigre groups."

### BARRED

Mr. Raus said he is a captain in the Army Reserve, but was barred from telling where he attended an Intelligence course.

He identified himself as commander of the Legion of Estonian Liberation, and admitted warning members of the Legion about Mr. Heine and telling them to "check with the FBI" if they didn't believe him, then went on to admit he didn't get his information from the FBI.

Federal Judge Foszel Thomsen said he will hear arguments on the motion on May 13.

### 925 PAGES

Last March, Mr. Heine came



Mr. Heine waved as he left the courthouse. Immediately behind him was one of his lawyers, Robert Stanford. At right is Ernest Raskauskas.

home town, and helped organize youth groups into guerilla units.

He surrendered because his parents were being held hostage, and Russian police questioned him on and off for three months, frequently beating him and applying electricity. He said the torture sterilized him.

Army and was commanding a Waffen SS company in Russia when he was captured in 1944. He escaped from a prison camp and made his way back to Estonia, where he organized an anti-communist guerilla unit, but was captured and sentenced to death as a traitor in 1950.

He said he "bluffed" the Russians into thinking he was a German, and was released from the other German war

prisoners in 1956. He was granted German citizenship, then came to Canada in 1959.

It was while showing a film he had made of his experiences and lecturing to Estonian patriotic groups in the U. S. and Canada that he met Mr. Raus, he said.

Much of the questioning was aimed at establishing if he is the "real" Eerik Heine.

It was not until this January, 16 months after the suit was filed, that Mr. Raus disclosed his connection with CIA.

At that time, Mr. Heine's attorneys promptly filed documents charging "bad faith" on the part of the defendant.

They said that in earlier affidavits, Mr. Raus had "pleaded near poverty" while at the same time two private investigators working on his behalf "were junketing in tandem all over the United States and Canada" seeking to find derogatory information about Mr. Heine.

They added that at one point, Mr. Raus's lawyers offered to settle the case by depositing money in Canadian and U. S. banks on condition the suit was dismissed, and when that was refused, asked the attorneys to "reconsider their personal involvement" with Mr. Heine.

They continued: "The defendant would not auction his honor," and "plaintiff's counsel were not intimidated, but outraged" by the suggestion they withdraw.

The statement then charged that it was only when "not one scintilla" of evidence against Mr. Heine could be found, that the CIA entered the case.

APR 29 1966

APR 29 1966

## C.I.A. Limits Agent's Testimony in Slander Suit

**Sends 5 Lawyers to Federal Court in Successful Effort to Maintain Secrecy**

By BEN A. FRANKUN

Special to The New York Times

BALTIMORE, April 27—The Central Intelligence Agency dispatched five Washington lawyers to the Federal District Court here today to close the door of legal discovery on the agency's clandestine operations in this country. The lawyers succeeded.

In a confused, three-hour hearing before Chief Judge Roszel C. Thomsen, the Government attorneys repeatedly removed a C.I.A. agent from the witness stand and conferred with him privately before permitting him to answer questions. Many questions they declined to let him answer at all.

In one half-hour period, the lawyers twice took the agent, Juri Raus, from the stand and into an anteroom or into Judge Thomsen's chambers for a total of more than 15 minutes. These two conferences were held to clear his answer in court to a single question about his contacts with the Federal Bureau of Investigation.

### Reply Surprises Lawyers

Returning to the witness chair, Mr. Raus nonetheless took his lawyers by surprise by replying "Yes" to a question they said they had expected him to answer "No." At that point, another five-minute out-of-court conference was called.

The slip-up however, appeared to have provided no significant information.

At another point, one of the five lawyers, Kevin T. Maroney of the Internal Security Division of the Justice Department, objected to Mr. Raus's answering a question posed by Paul R. Conolly, a private lawyer working with the C.I.A. to defend Mr. Raus. The objection was sustained by Judge Thomsen.

The intelligence agency normally keeps all but its two top-



Associated Press Wirephotos

Juri Raus, left, and Erik Heine leaving the courthouse

ranking officials behind an opaque barrier of anonymity. But today the agency dispatched its general counsel, Lawrence R. Houston, to act as a secrecy umpire during the questioning of Mr. Raus for a deposition in the \$110,000 civil slander suit against him.

### \$110,000 Asked in Suit

Erik Heine, a colleague of Mr. Raus in Estonian émigré organizations in the country and Canada, filed the suit after Mr. Raus publicly labeled him a Soviet agent. The defence contends Mr. Raus was acting under C.I.A. orders when he did this.

Mr. Houston, who told newsmen he had not appeared in open court for the agency since 1952, said that the 39-year-old Mr. Raus "was paid either directly or indirectly for his services on behalf of the C.I.A."

The hearing today was an attempt by Mr. Heine's lawyers to challenge the intelligence agency's claim of "absolute immunity" for Mr. Raus from the slander suit on the ground that the agent's statements about Mr. Heine had been made in his

privileged role as a Government official, acting on official orders.

Mr. Houston presented an agency affidavit, the fourth filed here since January, signed by Adm. William F. Raborn, director of Central Intelligence. It repeated the agency's assertion that Mr. Raus had been carrying out its orders in discrediting Mr. Heine as "a dispatched Soviet intelligence operative, a K.G.B. agent" and that Mr. Raus was therefore immune from suit.

### Dismissal Is Sought

Both the Government and Mr. Raus's lawyers, accordingly, have asked Judge Thomsen to dismiss the slander suit summarily. They also contend that a trial, which would require the C.I.A. to produce witnesses in support of its allegations against Mr. Heine, would "not be in the interest of the security of the United States" because such appearances would further compromise the agency's secrecy.

Judge Thomsen scheduled further argument for 2 P.M. May 13.

ILLEGIB

Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2

Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2

LOUISVILLE, KY.  
COURIER-JOURNAL

M-226,742  
S-333,011

APR 29 1966

## CIA Drapes 'Privilege' Cloak on Agent

By STEPHEN S. ROSENFELD  
Los Angeles Times-Washington Post Service

BALTIMORE—An anticlimactic confrontation took place in Federal Court yesterday between an accused Soviet spy and an admitted operative of the Central Intelligence Agency.

For three hours the supposed spy, Estonian emigre Erik Heine, dourly watched his two lawyers try to get information from the man who so labeled him, fellow emigre Yuri Raus.

But at each probe, Raus' battery of five attorneys dropped around him a protective claim of "privilege" based on two contentions: that in calling Heine a Soviet spy he acted in his scope as a CIA agent and that further disclosures would compromise American intelligence.

### Pointless To Go On

Heine's lawyers finally said it was pointless to go on. Chief Judge Roszel C. Thomsen continued the slander case to May 13 for final arguments on a Raus motion to dismiss Heine's \$110,000 suit.

Heine, 46, now a Canadian citizen, and Raus, 39, a Washington highway engineer, pretended not to notice each other in court.

As the day began, Judge Thomsen made clear his wish to get as many facts on record as security would allow.

The defense, summarizing its previous privilege claims, argued that a ruling against Raus, who is "prevented by the nature of his job from defending himself," would expose "every agent of the CIA through the world to the peril" of lawsuits.

Also submitted was a statement by CIA Director Adm. William F. Raborn, who said he had "personally determined" that further disclosures by Raus would compromise intelligence sources and methods.

Raus revealed under questioning that his 1965 Army Reserve pay of \$1,000 included a sum paid while he attended an "intelligence school." CIA counsel added that Raus "was paid directly or indirectly" for CIA service "during the times in question"—that is, in 1963 and 1964, when he called Heine a Soviet Estonian emigre circles.

PROGRAM: WALTER CRONKITE	DATE: April 29, 1966
Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2	J. U. R.
STATION OR NETWORK: WTOP Radio, CBS	TIME: 4:55 P.M.

CIA -- BLACK OPERATIONS IN "DIRTY TRICKS DEPARTMENT"

WALTER CRONKITE: Today's report -- more on the CIA. Early this week, one of these broadcasts touched on the subject of the CENTRAL INTELLIGENCE AGENCY -- the CIA -- and its relation to our democratic society. There was specific reference to a case pending in Baltimore federal court, where it seemed apparent that a traditional judicial process was being abandoned in the name of national security. Now it's clear that's exactly what has happened. The litigation involves two Estonian refugees -- one of them is Juri Raus, who has been revealed as an agent for the CIA. Raus is being sued for slander by Eric Heine, whom Raus publicly labeled an agent for the Soviet secret police.

Attorneys for the CIA now claim that Raus is legally immune from the slander charge, because of his privileged role as a government agent. They also claim that Raus made the charge against Heine on specific instructions from his superiors in the Intelligence Agency, and they insist that a trial, which would require the CIA to produce witnesses in support of its claims about Raus and Heine would not be in the interest of the security of the United States. Officials say such appearances would further compromise the secrecy of the CIA.

It is not possible for a layman to confirm or deny the legitimacy of the CIA claims about the status of agent Raus. It is clear -- and lawyers for the American Civil Liberties Union confirm it -- that Heine, who claims he was slandered, is being denied due process. This in itself contravenes constitutional guarantees of impartial justice. Outright disregard for long established judicial practices hardly seems the way to defend democracy. At the very least bad judgment is involved. If it were necessary for the agency to stay out of the limelight in the Raus-Heine case, it would have been far more prudent, it seems, to let the slander case go by default.

A good many Americans are disturbed about what they deem

- 2 -

"slippery" qualities of the CIA, in dealing not with enemy, but with the American public. Senator J. W. Fulbright's now challenging what he calls a CIA effort to propagandize the American public. More on that after . . .

\* \* \*

Senator Fulbright has noted that an article about the Viet Cong, written by a CIA employee, appears in the current issue of "Foreign Affairs" quarterly. The author, George Carver, is not identified as a CIA man. Fulbright maintains this unacknowledged connection with the CIA means the article may win acceptance as an independent evaluation, rather than a government appraisal of the subject covered. Fulbright believes wide use of such an internal propaganda method could debase the currency of American scholars and foreign policy experts.

Still another point, the importance of the CIA, as an information gathering agency is unquestioned -- but there must and should be, reservations about its so-called "black operations in the dirty tricks" department -- even greater reservations about its propaganda activities. This is Walter Cronkite . . .



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BOSTON, MASS.  
CHRISTIAN SCIENCE  
MONITOR

M- 177,755

APR 29 1966

## How and why...

The Central Intelligence Agency, which likes silence, has gone to court in Baltimore to see if one of its agents can keep quiet in a defamation case.

The agent, Juri Raus, has charged that fellow-Estonian émigré Eerik Heine of Toronto is a Soviet spy. Mr. Raus, a traffic engineer in the United States Bureau of Roads, acted under CIA orders.

Mr. Heine, in December, 1964, brought suit for \$110,000 against Mr. Raus for slander. The CIA has since identified Mr. Raus in court as one of its own secret agents.

Now it has asked the court to grant "absolute immunity" to Mr. Raus for his statements.

The Supreme Court has held that federal employees have immunity from lawsuits if acting within their office. But this raises questions. Does the present case fall in that category? Must the charges the CIA made through its agent, Mr. Raus, be proved? Or can he remain mute, leaving Mr. Heine no legal recourse?

That is the issue now.

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**RICHMOND, VIRGINIA  
TIMES-DISPATCH**

**M. 143,437  
S. 192,499**

APR 29 1966

## 5 U. S. Lawyers Block CIA Agent's Replies

© New York Times Service  
BALTIMORE, April 27—The Central Intelligence Agency sent five Washington lawyers to the United States District Court here Thursday to close the door of legal discovery on the agency's clandestine operations in this country. They succeeded. In a confused, three-hour hearing before Chief Judge Roszel C. Thomassen, the government attorneys repeatedly removed the CIA agent from the witness stand to confer privately before permitting him to answer questions. They declined to let him answer many questions at all. During one half-hour period, the lawyers twice took the CIA man, Juri Raus, from the witness stand and into an anteroom or into Judge Thomassen's chambers for a total of more than 15 minutes to clear his answer to a single question about his contacts with the Federal Bureau of Investigation before he was allowed to respond in open court. Returning to the witness chair, Raus nonetheless took his lawyers by surprise by replying "yes" to a question they said they had expected him to answer "no." and another five-minute out-of-court conference was called.

The slip-up, however, appeared to have provided no significant information. At another point, one of the

five lawyers objected to Rau's answering a question posed by Paul R. Connolly, a private lawyer working with the CIA to defend Raus. The objection was sustained by Judge Thomson.

The CIA normally keeps all but its two top-ranking officials behind an opaque barrier of anonymity. But the agency sent its general counsel, Lawrence R. Houston, to act as a secrecy umpire during Thursday's questioning of Raus for a deposition in the \$110,000 civly slander suit against him.

Eerick Heine, a colleague of Raus, in Estonian emigre organizations in this country and Canada, filed the suit after Raus publicly labeled him a Soviet agent. The defense contends Raus was acting under CIA orders when he did this and thus is immune for any law suit.

Both the government and Raus' lawyers, have asked Judge Thomsen to dismiss the slander suit summarily. They also contend that a trial, which would require the CIA to produce witnesses in support of its allegations against Heine, would "not be in the interest of the security of the United States" because such appearances would further compromise the agency's secrecy.

Judge Thomsen scheduled further argument for 2 p.m. May 13.



**Eerick Heine  
Sues for Slander**

# Agent, Under Eye of CIA, Takes Stand in Heine Suit

By ORR KELLY  
Star Staff Writer

BALTIMORE — Juri Raus, who has accused a fellow Estonian immigrant of being a Communist KGB agent, spent nearly two hours on the witness stand here yesterday as part of a calculated exercise in futility.

While the general counsel of the Central Intelligence Agency quietly nodded or shook his head toward Raus after each question, attorneys for the man Raus is accused of slandering demonstrated that they were clearly blocked from learning anything relevant from Raus about his job as an agent of the CIA.

Eerik Heine, the man accused by Raus, came here from his home near Toronto for the hearing and sat grimly through the attempt to take a deposition from Raus.

Sitting at the table with Raus' attorneys was Lawrence Houston, CIA general counsel, who was sent personally by CIA Director William F. Raborn to instruct Raus on what questions he would be permitted to answer.

### 3 CIA Affidavits

In three affidavits submitted to the court in connection with Heine's \$110,000 slander suit against Raus, the CIA has

identified Raus as a CIA agent and has said that he was instructed to warn Estonians in this country that Heine was a "dispatched Soviet Intelligence operative, a KGB agent."

In a paper filed with the court yesterday morning, Raborn said he was sending Houston "to assist in protecting information relating to intelligence sources and methods."

Raus was permitted to answer a number of routine questions such as his name, address, age and birthplace during the taking of the deposition.

But the government objected when Heine's attorney, Ernest C. Raskauskas, attempted to learn whether Raus was paid by the CIA and how he was paid.

After a conference, Houston told Chief Federal District Judge Roszel C. Thomsen that Raus had been paid "directly or indirectly" for his services to the CIA during the period in which he made the statements about Heine.

Raus mentioned — in answering a question about his service in the Army reserve — that he had attended an intelligence school last summer. He was not permitted to answer any further questions about the location of the school, what he studied there.

In answer to questions, Raus

said that he had filed annual federal income tax statements, but he was not permitted to say what total income he had reported.

When Raskauskas attempted to ask a series of questions concerning who at the CIA had supplied Raus with information about Heine and precisely what information he had been furnished, Maroney and Houston objected.

### Hearing Set On Motion

When it became clear that no further relevant information could be obtained, Raskauskas dismissed Raus from the witness chair and a hearing was scheduled for May 13 on Raus' motion for a summary judgment based on his claim that he has privilege against a slander suit because he was acting as an official of the U.S. Government.

Heine said afterward that one of his purposes in coming here was to make himself available if any agency of the government wanted to question him about his alleged involvement with the KGB—or even to arrest him. No one bothered him.

U.S. Attorney Thomas Kenney, who sat only a few feet from Heine during the hearing, explained later that it is one

thing for the government to know something about a person and another thing entirely to be able to prove in court that he has committed a specific crime.

# Suit by CIA 'Privilege'

By Stephen S. Rosenfeld  
Washington Post Staff Writer

BALTIMORE, April 28—A weird confrontation took place in Federal Court today between an accused Soviet spy and an admitted operative of the Central Intelligence Agency.

For three hours the supposed spy, Estonian emigre Eerik Heine, dourly watched his two lawyers try to root information from the man who so labeled him, fellow emigre Yuri Raus.

But at each probe Raus's battery of five attorneys dropped around him a protective claim of "privilege" based on two contentions: That in calling Heine a Soviet spy he acted in his scope as a CIA agent, and that further disclosures would compromise American intelligence.

## Case Is Continued

Heine's lawyers finally said it was pointless to go on. Chief Judge Roszel C. Thomsen continued the slander case to May 13 for final arguments on a Raus motion to dismiss Heine's \$110,000 suit.

Heine, 46, now a Canadian citizen, and Raus, 39, a Washington highway engineer, affected not to notice each other in court. They last met, Heine told newsmen in the corridor, in 1960 when Raus invited him to give a speech on his anti-Communist exploits.

(The Justice Department and FBI refused to comment on the question of why Heine is not being arrested, if he is accused of being a spy. One official noted privately that Heine's arrest might be construed as gross interference in the Baltimore court action.)

Slumped behind lawyers Ernest C. Raskauskas and Robert J. Stanford, Heine looked small and pinched, almost furtive. The boyish-looking Raus sat warily in the witness chair, pausing at each query for a signal from the lawyers retained by CIA to defend him.

To begin, Judge Thomsen made clear his wish to get as many facts on record as security would allow.

## Privileges Claimed

The defense then summarized its previous privilege claims. It conceded

to an extent the judicial search for truth" but argued that a ruling against Raus, who is "prevented by the nature of his job from defending himself," would expose "every agent of the CIA throughout the world to the peril" of law suits.

Also submitted was CIA Director Adm. William F. Raborn's first statement in the 18-month-old case. He said he had "personally determined" that further disclosures by Raus would compromise intelligence sources and methods.

Raus revealed under questioning that his 1965 Army reserve pay of \$1000 included a sum paid while he attended an "intelligence school." CIA counsel Houston added that Raus "was paid directly or indirectly"

for CIA service "during the times in question"—that is in 1963 and 1964 when he called Heine a Soviet agent in order to discredit him in Estonian emigre circles.

The Judge ruled that Raus did not have to answer these questions: Was intelligence school part of reserve duty? Was all his Bureau of Public Roads pay for Bureau work? What was his income beyond Bureau and reserve pay? What would he report on Federal tax returns?

Raus said he had told Estonian emigres who doubt his charges against Heine to check with the FBI. As if he had conferred with the FBI before saying that, he huddled with his lawyers and declined to answer

H. v. R.

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BALTIMORE, MD.  
SUN  
M-190,628  
E-213,008  
S-339,420

APR 28 1966

## The Spy Who Came In With A Court Suit

If an American spy sounds a warning against an alleged Soviet spy and names him, can the alleged Soviet agent sue for slander?

The Federal Court will be asked to decide that question here today at a deposition hearing for Juri Raus, 39, of Hyattsville, who has been identified as a paid agent for the Central Intelligence Agency.

Mr. Raus, a native of Estonia and national commander of the Legion of Estonian Liberation, a veterans' group, says he told members of the organization that Erik Heine was a member of the KGB, the Soviet secret police.

### Damage Claimed

Mr. Heine, 46, a native of Estonia now living in Rexdale, Ontario, is suing Mr. Raus for \$110,000 damages.

Mr. Heine, who gives lectures about his anti-Communist activi-

ties as a former Estonian freedom fighter and an escaped prisoner of the Russians, claims that the spy label damages his reputation in the Estonian community in America.

Mr. Raus has contended that he made the statement about Mr. Heine at the direction of the CIA, and the super-secret agency has come to court to back him.

In an affidavit filed this week, Richard Helms, deputy director of the CIA, said Mr. Raus made the statement as a paid operative of the Government and is immune from prosecution on the slander charge.

The immunity stems from laws protecting actions by Government agents in matters of national security, the CIA asserts.

### More Information

Mr. Heine, the alleged Soviet agent, hopes to obtain more information today from the CIA.

Chief Judge Roszel C. Thomsen has remarked that any further disclosures by Mr. Raus and the CIA "might expose the entire United States counter-espionage apparatus."

In opposing Mr. Raus's motion to dismiss the slander suit, Mr. Heine's attorneys yesterday accused the CIA of "inordinate worship of secrecy."

The CIA affidavits supporting Mr. Raus are "drawn with Machiavellian cleverness, massive cunning, and calculated expediency," Mr. Heine charged.

### "To Protect Sources"

The plaintiff said Mr. Raus should be required to prove his charge that Mr. Heine is a Soviet agent.

The CIA admitted that Mr. Raus made the accusation "to protect the integrity of the agency's foreign intelligence sources."

Moreover, the CIA said, "it would be contrary to the national interest and would further compromise the proper protection of intelligence sources and methods to disclose further information."

### Another Twist

Mr. Heine's lawyers protested that the claim for immunity is being submitted without opportunity for cross-examination.

In another twist to the case, the plaintiff charged that the CIA had attempted to disguise its role by telling Mr. Raus to say the FBI provided the information about Mr. Heine.

The plaintiff presented a letter from J. Edgar Hoover, FBI director, denying that the bureau "released any information which could be the basis for the allegations" against Mr. Heine.

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BALTIMORE, MD.  
SUN  
M-190,628  
E-213,008  
S-339,420

APR 28 1966

## CIA'S ROLE IN SUIT HIT

### 'Machiavellian Cleverness' Seen In Affidavit

The Central Intelligence Agency yesterday in Federal Court was accused of "usurping the functions of the court and jury" in entering a \$110,000 slander suit.

The statement referred to an affidavit of the deputy director of CIA, claimed to be written with "machiavellian cleverness."

Lawyers for Erik Heine, asking damages on the claim that his reputation with the Estonian community was injured, want the judge to allow the case to go to trial.

#### Dismissal Asked

On the other side, Juri Raus, a Government worker in Prince Georges county, seeks dismissal of the damage claim on grounds that he got his information from the CIA.

Mr. Heine, of Rexdale, Canada, is suing the Maryland resident on the contention that his reputation as a lecturer on anti-communism and his exploits as an Estonian partisan freedom fighter was in jeopardy.

Chief Judge Roszel C. Thomsen

has set a hearing for today on Mr. Raus's petition that the case be dismissed on grounds the comments were privileged.

Through a series of three affidavits, Richard Helms, CIA deputy director, has acknowledged that Mr. Raus was furnished information "to the effect" that Mr. Heine's activities were subject to question.

#### Letters Displayed

Mr. Helms said the CIA knew the Canadian and told Mr. Raus to repeat the information in his 1963 position as national commander of the Legion of Estonian Liberation, Inc.

Lawyers for Mr. Heine advised the court that Mr. Raus first said he got the information from the Federal Bureau of Investigation.

They displayed letters from J. Edgar Hoover, FBI director, denying the bureau furnished such information and indicating they were not involved in spy activities.

Mr. Heine's lawyers argue that the Estonian commander should take the witness stand and explain whether he was using the FBI as a cover for his CIA work.

#### "Course Of Employment"

They asked the court to refuse the defense of privilege raised by Mr. Raus just because the CIA

says he was acting in "the course of his employment."

Such a question, they add, is for the court or a jury to determine and should not be passed on by using a CIA affidavit that is not subject to cross-examination.

By trying to keep Mr. Raus off the witness stand, the lawyers assert the CIA was filing affidavits replete with "machiavellian cleverness, massive cunning and calculated expediency."

Mr. Heine charges that he was slandered at the time he was showing a film "Creators of Legend" that concerned the 1940 fight to prevent Russia's occupation of Estonia.

#### Acting As Officer

Earlier papers in the case argue that Mr. Raus made the statements only on privileged occasions to persons privileged to receive them and that no malice was intended.

Privilege further extended because he was acting as an officer of the Estonian liberation movement and exercising his free speech rights under the First Amendment.

Absolute privilege arises from the fact that he was acting for the CIA and a secrecy agreement signed by Mr. Raus was filed in the case.

HCR

WICHITA, KANSAS  
BEACON

e. 76,088

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Date: APR 28 1966

## How Secure Is Anybody?

Perhaps it's all for the good of national security, but it is enough to make an ordinary citizen very uneasy.

The Central Intelligence Agency has intervened in a federal court case involving a slander suit, and has asked the judge to accept its word that a man is a Soviet secret agent.

The suit was filed by an Estonian emigrant, known among his fellow emigres as an anti-Communist, but who was accused by a countryman of being a Communist agent. The CIA says the accuser is an undercover CIA agent, and was acting upon orders in making the accusation. The secret agency contends that the undercover agent, as a government official, is immune to prosecution for slander. Furthermore, its attorneys plead, the prosecution cannot challenge the immunity claim by cross-examining any CIA officials or the undercover agent, because they and their secret records are protected under the National Security statutes.

Lawyers and the judge say all this apparently is legal. But it makes one uneasy to see, in an open civil court of the United States, a man unable to face his accusers.

One wonders just how much the security of the nation would really be endangered if the facts in the case of some obscure Estonian emigres were brought out. And in any case, couldn't the judge at least be trusted to examine the CIA records and question its officials?

If one man can be labeled a Communist agent on the unsupported word of a secret government agency, how secure can anyone feel?

ILLEGIB

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ATLANTA, GA.  
JOURNAL

E-245,376

S-496,588

APR 28 1966

LETTERS TO THE EDITORS:

## Sees CIA Slandering Case As Frightening

The Editors: A news article was tucked away on page 34 of your April 21 issue, entitled, "Agents Free From Laws? Up to Judge." No article in this paper upset and frightened me as this one and I feel that I must state what this article means to me, thereby explaining my concern.

This article was relatively vague, but in essence it stated that a member of the Central Intelligence Agency (CIA) purposely slandered the national commander of the "Estonian Emigre Organization." The article further states the CIA admits to the statements made, admits that they were made per the instructions of the CIA, neither admits nor denies if they are true, and refuses any further comment on the basis that it would be "contrary to the security of the United States."

The CIA further claims that their agent is not "subject to the ordinary processes of law," and is immune from prosecution for slander because of his "special role in the nation's defense." A U.S. district court judge must now decide whether this agent can or cannot be prosecuted.

I have never heard of any of the participants in this case, know nothing of the organization, and know no particulars of the case. What upsets me is that any governmental agency (or anyone, for that matter) feels that they are not "subject to the ordinary processes of law." We only have to look into recent history to find this language and this very principle used as the primary means by which a government took over complete control of a country and plunged the whole world into

a disastrous war.

In the early 1930s, the Nazi party organized the S.A. and the S.S. and from these grew the Gestapo. The members of these organizations were declared immune to the ordinary processes of law and thereby could kidnap, murder, torture, and perform every despicable crime known to man.

Under the guise of the language stated in the case described in the article, they eliminated all political opposition and turned Germany into a torture chamber, and the Nazis became absolute masters of their country. In the beginning their actions were just as innocent sounding as the actions of the CIA are in this case, but they established precedent in this type case which allowed them eventually to operate in any manner they saw fit.

I am well aware that we are in the midst of a struggle for our actual existence. However, one thing that makes this country great is that every man is accountable for his actions to our judicial system and this guarantees that all of us are protected from unjust actions (including false accusations). If the judge declares that the agents of CIA are not subject to our laws, he will have opened a Pandora's box and no one know what it will bestow on us.

It is not hard to imagine the possible consequences if an organization is established that is not subject to our laws comes under the control of men who want to use it for their own purposes — even though it was created by men with the best intentions.

STANLEY P. STEINBERG.  
Atlanta.

PROGRAM Newsnight

STATION WTOP-TV

DATE April 28, 1966

6:00 PM

CITY Washington, DC

NOT TO PROCEED WITH SLANDER SUIT

JULIAN BARBER: "Attorneys for the plaintiff today sought to question a self-declared CIA agent who's accused of slander in a suit filed in Federal Court in Baltimore. The attempt took place at a special pre-trial examination presided over by Judge Rosell Thompson, but the agent wasn't talking.

"Sam Donaldson has the story."

DONALDSON: "The United States Government, by way of an affidavit signed by Admiral William Rayborn, head of the CIA, today reaffirmed its insistence that to proceed with the slander suit brought against one of its agents would jeopardize national security.

"The agent, 39 year old Uri Rouse (?) of Hyattsville, Maryland, sat on the witness stand in Judge Rosell Thompson's Baltimore courtroom, while attorneys for the plaintiff, Eric Haine (?) tried to question him in the pre-trial examination.

"But to almost every question that had even a remote bearing on the case, government attorneys instructed Rouse not to answer. And Judge Thompson said the law required him to uphold their assertion that the witness should remain silent in the interest of national security.

"The CIA's own general counsel, Lawrence Houston, did allow Rouse to admit uttering the alleged slander. 'Yes', said Rouse when asked whether he had told the gathering of Estonian emigres in New York City in 1963, that Eric Haine was a dispatched agent of the KGB, the Soviet secret spy organization. 'I stated,' declared Rouse, 'that whoever does not believe what I said is free to contact the FBI.' But when Haine's attorneys attempted to discover Rouse's exact relationship to the CIA or FBI, how much he was paid for talking about him, who actually gave him the information to pass along. The government invoked its claim to secrecy.

"The man who brought the suit, Eric Haine, is like Rouse, a native of Estonia. Haine now lives in Canada. He denies any association with the Soviet Union and says he only wants to clear

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1966

his name."

MAN: "Uri Rouse at the orders of the CIA has said that you are a Soviet spy, or at least, in the early 60's you were a representative of the NKVD. You deny this?"

HAINÉ: "Completely. I deny it."

MAN: "Well, what basis of this charge could there be? Were you active in working the Estonian community in Canada and the United States?"

HAINÉ: "I was active there, but why these accusations were brought forward, I have not the slightest idea."

MAN: "Well, what were you telling the Estonian immigrants to this country and in Canada?"

HAINÉ: "to keep alive the idea of Estonian freedom and independence."

MAN: "When did you first meet Uri Rouse?"

HAINÉ: "I believe it was 1961 when he invited me to speak in an official category (?) in Lakewood, that's by New York."

MAN: "What was your subject?"

HAINÉ: "Resistance in Estonia against the Communist rule and the Communists."

DONALDSON: "In the normal slander case, truth in the absence of malice would be a defense, but the government having admitted the words claimed to be slanderous were uttered at its order has no intention of trying to prove them, it simply declares that Rouse was acting for the CIA, and states that to say anything more would be against the best interests of the United States on security grounds.

"So the government has asked the court to enter a summary judgment against the plaintiff, Eric Haine, and dismiss the suit. Arguments on that motion have been set for May 13th."

# Heine Whisks Into U.S. For CIA Court Fight

By ORR KELLY  
Star Staff Writer

Eerik Heine, who has been described by the Central Intelligence Agency as "a dispatched Soviet intelligence operative, a KGB agent," passed through United States customs and immigration in Toronto this morning like an ordinary tourist.

He is flying to Washington to attend a hearing scheduled for tomorrow in Baltimore in his \$110,000 slander suit against a CIA agent who was ordered to warn Estonian emigre groups about Heine.

Heine, a resident of Rexdale, a suburb of Toronto, checked in at the American Airlines ticket counter at the Toronto International Airport a little before 8:30 a.m. He was directed to the U.S. customs counter just behind the ticket counter.

### The Usual

A polite and cooperative U.S. customs agent asked the usual questions about what he was carrying.

Heine told him he had with him a film of a two-hour movie based on his experiences as a guerrilla fighter against the Russians in the forests of Estonia.

Heine showed the agent a brochure printed in both English and Estonian describing the

film. His name is prominently displayed on the brochure.

The agent then suggested he get a certificate from Canadian customs so he would have no trouble bringing the film back into Canada.

"He was very cooperative, most helpful," Heine said.

When Flight 402 was called, Heine went to Boarding Room 30 in the new circular terminal building.

### Ticket to the U.S.

His ticket was checked by an airline agent and he then showed his plastic, wallet sized Canadian passport to a blue-shirted U.S. Immigration and Naturalization Service officer. The card carries his picture and both his signature and his type-written name.

Routinely, the agent asked where he was from, where he was going and how long he would be there.

He then stamped the ticket, "Admitted, April 27, 1966."

"Wheew," said Heine, as he stepped into the waiting room. "I really hoped they would arrest me. Then I would have my day in court."

Juri Raus, who made the accusations against Heine, has pleaded absolute immunity

See HEINE, Page A-8

## HEINE

Continued From Page A-1  
against the slander suit because he said he was making the statements in the course of his job as a government employee. Thus, the truth or falsity of the charges may never be tried in court.

### Pretty Girls, Too

As he settled himself in a window seat on the new twin jet BAC-400, a pretty stewardess handed Heine a copy of this morning's Toronto Globe and Mail.

"Nice girls," he said appreciatively to his seatmate.

"Let's see if they have anything to say today," he said, beginning to leaf through the paper. Heine's name has been one of the most prominent in Toronto newspapers and on Canadian television stations since the details of his suit against Raus were revealed a week ago.

He found what he was looking for on the editorial page.

An editorial cartoon showed a handlabeled "CIA," writing across the Preamble of the Constitution, the word, "However."

An editorial, headed, "The CIA: Who Polices the Secret Police," said:

"The Supreme Court of the United States has held that, in order to permit government officials to discharge their duties without fear of reprisal by lawsuits, they are immune from such suits in acting within the perimeter of their office. If Mr. Heine's right to challenge a most serious accusation will be the ruling is upheld in this case, whisked out from under him.

"One may properly infer from this situation that the men of the CIA must be very important and powerful indeed to be able to act with such impunity . . .

What of Mr. Heine? Perhaps the best we can hope for is that President Lyndon Johnson will telephone him to ask whether he really wants a hearing of his slander suit. That's the Canadian way."

The last paragraph was a reference to a recent Canadian spy case in which Prime Minister Leslie Pearson phoned the suspected spy and asked if he wanted a formal investigation. The man died before the investigation could be undertaken.

Saturday, in an editorial reference to the case, the Toronto Star asked if the United States had gone back to the 17th century when French kings gave their agents carte blanche to carry out investigations with impunity.

"It is sad, very sad," Heine said.

### No Hard Feelings

"CIA and I are both on the same side.

"The Soviets will win both ways.

"If they destroy me, they will remove a fighter. If I KAM CLEARED, IT HURTS THE CIA. I want to make it clear that I have no hard feelings against the CIA. We fight the same fight."

The ground below was not visible as the plane carrying Heine crossed the U.S.-Canadian border at 27,000 feet about 9:35 a.m.

He landed at LaGuardia Airport in New York a little less than an hour later.

onto a red-carpeted boarding

ramp he remarked with a chuckle: . . .

"Here I am on American soil."

He was scheduled to arrive in Washington in the early afternoon for conferences with his attorneys, Ernest C. Raskauskas and Robert J. Standord, in preparation for tomorrow's hearing, in which they will take a deposition from Raus.

WASHINGTON EVENING STAR, 26 April 1966.

Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2

## INTERVIEW IN THE CIA CASE

# Heine Says Mounties Cleared Him

By ORR KELLY

Star Staff Writer

Eerik Heine believes that he was "cleared" by the Canadian Mounted Police at the same time an agent of Central Intelligence was accusing him of being a Soviet spy.

In a slander suit filed in Federal District Court in Baltimore, Heine, a 46-year-old resident of Rexdale, Ont.—and a Canadian citizen—has accused Juri Raus, a 39-year-old engineer for the Bureau of Public Roads, of calling him a Communist and a KGB agent on three separate occasions.

Raus has been publicly identified as one of its agents by the CIA and in a new affidavit filed yesterday the CIA said it had instructed Raus to warn fellow Estonians Heine was "a dispatched Soviet intelligence operative, a KGB agent."

In the fall of 1964, some time after the accusations about him began circulating in the Estonian community, Heine was called by a Canadian Mounted Police officer in Toronto, he said in a recent interview.

### Invited to Office

"They invited me to their office and questioned me about the quarrel with Raus," he said.

"The first time, they questioned me about an hour. The second time, they came to see me and we talked about half an hour.

"I got my Canadian citizenship papers about three weeks later."

This convinced him, Heine said, that the Mounties had found no reason to disbelieve his story that he is a former guerrilla fighter against the Soviet Union—a devoted anti-Communist and an Estonian patriot.

Later, he had several other opportunities to talk to the

Mounted Police agents—whom he described as similar in their function to FBI agents.

On one occasion, he reported what appeared to be an attempt to force open the hood of his car so that it could be bombed. On another occasion, he reported a series of harassing telephone calls. (Heine said he normally responded to the calls with a flood of profanity in Russian, a talent he developed as a long-time prisoner in Russian prisons and slave labor camps.

### Asked 2 Questions

Heine said he asked the mounties two questions—"I asked them if my phone was tapped and they said that was illegal in Canada. And I asked them if they believed I was a Communist. They said, 'We wouldn't be talking to you if we believed that.'"

Heine also revealed that he had voluntarily supplied the FBI with information he refused to divulge during the four days that Raus' attorneys questioned him during the taking of a deposition.

During the deposition, Heine supplied the names of a number of people he said could verify portions of his story of his life and his attorneys have since told the court they have reason to believe that at least 33 persons in North America and Europe have been questioned by private investigators retained by Raus' attorneys.

### Sent List to FBI

But Heine declined to reveal the names of other persons—he said they might be vulnerable to recriminations by the Russians. The deposition, he noted, would become a part of the public court record on the case. Heine said he would not be an agent, could go through it for information.

Heine said, however, that since the FBI's record are not open to the public, he had sent the agency a complete list of those who could back up his story.

During the interview in the sparsely furnished living room of his \$18,000 bungalow in Rexdale, a suburb of Toronto, Heine was asked if there had been attempts at indoctrination during the total of seven years he spent as a Russian prisoner.

Yes, he said, there were constant attempts at indoctrination. And yes, he added, there were "traitors" who, either in hopes of better treatment or because they had been convinced, became Communists.

The Estonians, Heine insists, were the "aristocracy" of the prison camps and it would be unthinkable for him to have become a traitor.

The other possibility, he acknowledged, is that he is not really the same Eerik Heine who tried, during his youth, to tear the Red flag from the city hall in his hometown of Tartu, or who fought the Russians in the forests of Estonia. Perhaps the real Eerik Heine has been replaced by a skilled Soviet agent.

There seems little question that, at the time the rumors began to be spread about him 3 years ago, Heine was emerging in a position of influence among Estonians in North America.

He had been elected to a high post in the central body of Estonian groups in Canada and he was touring the United States with a movie he had made about the Estonian guerrilla fighters.

"Maybe I was too successful, pulling people together, giving them new vigor and new hope. After I arrived here, anti-Communist activities greatly improved here in Canada. When I had such great success, some-

body decided to stop me," he said.

The effort to stop him was made by the CIA through Juri Raus, 39, national commander of the Legion of Estonian Liberation. It has, Heine said, been at least partially successful in that it has split the Estonian community in the United States and Canada into two bitterly divided groups.

In two previous affidavits in which it acknowledged Raus was an agent, the CIA did not make clear that what he said about Heine was precisely what he had been told to say by the CIA.

The new affidavit is geared to remove that doubt.

Ad

RJB  
JBU

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E. 219,257  
S. 313,454

APR 25 1966

**LOUIS AZRAEL SAYS:**

# A City Has All Sorts of Things

## GOOD THINGS . . .

It's years, years, years since Baltimore's major hotels have had this sort of spring.

Last week the Methodists' convention and the On Leong Merchants Association convention (which took 200 rooms) had hotels well filled. From this week on through May, conventions or other gatherings of the Order of the Eastern Star, the Gardens Clubs of America, the AFL-CIO, the Public Health Service and the Parent-Teachers Association and several others will keep the hostelrys busy.

In early June the Optimists International convention, a big one, comes.

"But don't convey the impression that other people won't be able to get in," a hotel man cautioned. "Even if the hotel they first come to is filled we can almost always arrange another for them."

## SAD THING . . .


A real estate man who operates chiefly in an old residential section of Baltimore reports that during the last two weeks he has had an amazing number of requests to sell owner-occupied homes.

"It's because of the talk about a big tax rate boost," he explained.

"For people with fixed incomes, or modest incomes, the tax load has been getting to be more and more of a hardship each year. Facing another boost, much bigger than usual, they just can't afford to hang on."



AZRAEL

The News  American

**THE PAGE OPPOSITE**

Monday, April 25, 1966 ★ IIA

## SILLY THING . . .

Among Maryland's Congressional candidates is one Patrick F. X. McGucken, of Emmitsburg.

The cards he is distributing proclaim that he is conducting "The Poor Boy Campaign." And it bears this bit of undearthless poetry . . .

"When you look at me and blush with shame,

"Because you remember the face but not the name,

"Stand back. Keep lookin'. Then say, 'Vot's cookin', McGookin?'" . . . . .

## GOOD THING . . .

Most definitely, the new play at Center Stage!

In the first place, the play itself—"The Chinese Wall"—is ingenious, imaginative and intelligent despite occasional use of pompous language to express cliché ideas. Though a serious play, it is infused with fun.

Furthermore, the setting, staging, and costumes are gay, colorful, superbly suited to the action.

And the acting, with no exception, is excellent . . . with John Shuck as the old Chinese emperor being most excellent.

## UNUSUAL THING . . .

The lawsuit that comes up Thursday in Federal Court.

A man filed a \$110,000 slander suit against another man whom he blamed for spreading reports that he was a Communist agent.

The defendant answered by presenting a document stating that he worked for the Central Intelligence Agency and that whatever statements he had made about the plaintiff were in the course of his CIA duty. Therefore, he argued, he couldn't be sued for the statements, whether they were true or not.

Judge Roszel C. Thomsen is demanding more information. He wants to know by witnesses, not merely by a document, that the defendant worked for the CIA, and perhaps that the CIA really ordered him to make whatever statements he made.

The judge may then have to decide if slander, when officially authorized by a government agency, leaves the slanderer immune from penalties.

## INTERESTING THING . . .

Rear-Admiral Kenmore M. McManes, of Washington, will be the speaker at the Flag House Association dinner at the Sheraton-Belvedere next Thursday. He has had a distinguished career in the Navy but also . . .

When Hawaii became a state, he is the man who designed the arrangement of stars on the U. S. flag to include a 49th.

And when Alaska was admitted, Admiral McManes rearranged the stars to include a 50th.

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# C.I.A. SAYS IT TAPS REFUGEE SOURCES

## Affidavit Seeks to Satisfy Court in Slander Suit

By BEN A. FRANKLIN  
Special to The New York Times  
BALTIMORE, April 25—The Central Intelligence Agency acknowledged in Federal Court here today that it "develops" sources of foreign security information through refugees and emigré organizations in this country.

Richard Helms, deputy director of the secret United States espionage agency, said in a sworn statement filed in District Court here in connection with a slander suit against a C.I.A. agent, that the agency had "foreign intelligence sources existing within or developed through" emigré groups.

According to unofficial estimates, there are about 100,000 members in several hundred active emigré associations in the United States, organized by exiles of countries now under Communist rule. Most of them are strongly nationalist and anti-Communist, and many maintain informal connections with countrymen still living behind the Iron Curtain.

### Identified in Court

Today's statement by the C.I.A.'s second ranking official was contained in the third of an unusual series of affidavits filed here by Mr. Helms in behalf of Juri Raus, a 39-year-old Estonian emigré. The agency has already identified Mr. Raus in open court as one of its secret agents.

Mr. Raus, as far as was known at first, was employed in Washington as a traffic engineer by the United States Bureau of Public Roads. He was accused of slander by Eerik Heine, another Estonian emigré now living in Canada, after he called Mr. Heine a Soviet spy and an agent of the K.G.B., the Soviet secret police.

Mr. Helms's affidavit today, for the first time, described Mr. Heine as "a dispatched Soviet intelligence operative, a K.G.B. agent." The C.I.A. official thus extended the accusation against Mr. Heine to include the contention that he was sent here from Estonia or the Soviet Union, and not merely recruited in Canada or the United States.

Mr. Heine, living in Toronto, filed a \$110,000 defamation suit here in November, 1964. In his reply to the suit, Mr. Raus at first acknowledged making the accusations but, until January of this year, he insisted only that he had relied on "responsible information from a Government agency."

### 'Absolute Immunity'

Then, last January, the C.I.A. moved to free Mr. Raus of any liability for his admittedly defamatory statements by identifying him in court as one of its undercover agents who had been under official C.I.A. orders to expose Mr. Heine as a Soviet spy.

It was the first time the C.I.A. had ever publicly identified one of its agents, but the effect of the disclosure was to give Mr. Raus a claim to "absolute immunity" from the slander suits on grounds that he was a Governmental official acting properly within the scope of his duties.

The Supreme Court has held that in order to permit Government officials to discharge their duties without fear of reprisal by lawsuits, they are immune from such suits if acting within the perimeter of their office.

### Dismissal Sought

The C.I.A., accordingly, is seeking a summary dismissal of Mr. Heine's suit against Mr. Raus. But Paul R. Connolly and E. Barrett Prettyman Jr., leading Washington trial lawyers retained by the C.I.A. to defend Mr. Raus, have declined, on C.I.A. security grounds, to submit affidavits to challenge the immunity claim.

# Stanford Backs Liquor For Students Over 21

Special to The New York Times  
PALO ALTO, Calif., April 25—Students at Stanford University, who are more than 21 years old, will be permitted to drink alcoholic beverages in campus residences beginning May 10.

Dr. Wallace Sterling, Stanford's president, announced the new regulation today following a five-year study of student development at Stanford. It showed that "drinking is well-established, even at the time they enter Stanford," for more than three out of four students.

According to the study, drinking is apparently sanctioned by their peers, their parents and society.

Dr. Sterling said that when liquor was used it should be "used in moderation."

The rules specify that students are individually and personally responsible for compliance with California law.

The affidavit filed today was an attempt by the C.I.A. to satisfy the demand of Chief Judge Roszel C. Thomsen that the intelligence agency "go as far as it can go" in authenticating its claim to immunity for Mr. Raus by specifying exactly the nature of its instructions to him.

Of the Estonian emigré gatherings before which Mr. Raus admits that he accused Mr. Heine, the affidavit said, in part:

"Prior to those occasions . . . the defendant [Mr. Raus], in a series of conferences, was furnished information by the Central Intelligence Agency to the effect that Eerik Heine was a dispatched Soviet intelligence operative, a K.G.B. agent. The defendant was instructed to warn members of Estonian emigré groups that Eerik Heine was a dispatched Soviet intelligence operative, a K.G.B. agent."

"The purpose for this instruction was to protect the integrity of the agency's foreign intelligence sources, existing within or developed through such groups in accordance with the statutory responsibility of the Director of the Central Intelligence Agency to protect foreign intelligence sources and methods. . . ."

Judge Thomsen has scheduled another opportunity for argument on the dismissal motion here on Thursday. Mr. Raus is expected to make an appearance here then, but to refuse to testify on security grounds.

It is expected to be the last hearing in the case. At a hearing on April 14, Judge Thomsen declared that if the information given Mr. Raus by the C.I.A. was, indeed, that Mr. Heine "was a Communist and a K.G.B. agent, then the legal point [supporting dismissal] is relatively simple."

### C.I.A. Threat Charged

TORONTO, April 25 (Canadian Press)—Eerik Heine, an Estonian refugee who has started a \$110,000 slander action in Baltimore, said last night he had been threatened by the Central Intelligence Agency to drop the whole matter.

Mr. Heine, 46 years old, who lives in suburban Rexdale, brought the action against Juri Raus, 39, of Hyattsville, Md., a former Estonian who is a C.I.A. agent. The action is over statements made by Mr. Raus describing Mr. Heine as an agent of the Soviet secret police.

Mr. Heine quoted last night from a letter which he said was from his Washington attorney, Ernest Raskauskas. In it the lawyer tells of a meeting between himself and E. Barrett Prettyman Jr., a Washington lawyer acting for Mr. Raus. The letter reads:

"Mr. Prettyman advised me [Mr. Raskauskas] that it would be definitely contrary to your best interests for you to pursue this matter any further and that only further harm could result to you if we proceeded further."

"I consider that a threat," Mr. Heine said. He was away but she refused to talk to them.

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Washington Post  
24 April 66

## Public Figure

There is good sense and good constitutional law behind the decision of New York State Supreme Court Justice Samuel J. Silverman dismissing the \$1 million libel suit brought by Dr. Linus C. Pauling against William F. Buckley Jr. It must be acknowledged at the same time, however, that the decision works a serious hardship, and probably a grave injustice, on Dr. Pauling.

Mr. Buckley's magazine, *National Review*, referred to Dr. Pauling in 1962 as a "megaphone for Soviet policy," as a "fellow-traveller," and as having "given aid and comfort to the enemies of this country." This kind of name-calling may fairly be said to betray the emptiness of Mr. Buckley's attempt to rebut Dr. Pauling. It is, nevertheless, ugly, underhanded and damaging; and one can hardly help wishing that there were some way in which the author could be called to account for it.

But the interest of injured individuals in punishing defamation must yield to the larger interest of the society in protecting the expression of political opinion. In his powerful opinion for the Supreme Court in the case of *New York Times Co. v. Sullivan* two years ago, Mr. Justice Brennan wrote of "a profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open, and that it may well include vehement, caustic, and sometimes unpleasantly sharp attacks on government and public officials." And he concluded that "the constitutional guarantees require, we think, a Federal rule that prohibits a public official from recovering damages for a defamatory falsehood relating to his official conduct unless he proves that the statement was made with 'actual malice'—that is, with knowledge that it was false or with reckless disregard of whether it was false or not."

Justice Silverman was quite right, we think, in reasoning that what applies to a public official applies as well to a "public figure" engaged in political controversy. While making it plain that "I do not hold that the charges against Dr. Pauling . . . are true or justified," he held that Dr. Pauling had not proved that Mr. Buckley knew the statements were false. It is hard on Dr. Pauling, no doubt, to be deprived of the retribution he deserved. But, as Justice Silverman said, "Perhaps this can be deemed another sacrifice that he is making for the things he believes in."

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APR 2 1960

# Spying denied

## CIA agent claims Canadian was in Russian secret police

By John Walker  
Southern News Services

Erik Heine, a naturalized Canadian who has been accused by an American Central Intelligence agent of being a Russian secret police agent, has denied all.

Mr. Heine, interviewed by telephone at his Toronto home, denied "emphatically" the charge made in a slander action in the U.S. by an admitted CIA agent, that he is or ever was a Russian agent.

He further added that despite his alleged activities, which the deputy director of the CIA appeared to confirm at the hearings in Baltimore recently, he had never been prevented from speaking at anti-Communist meetings in the United States and had never been questioned by the RCMP.

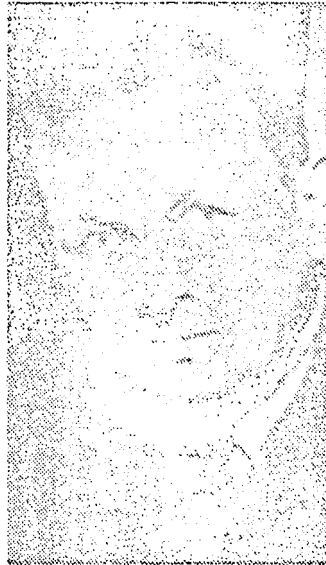
In Ottawa, RCMP officials refused to comment on the case, which came to light in a copyrighted Washington Star story Wednesday. Solicitor General Larry Pennell said he could not comment until he met with the RCMP Commissioner G. B. McClellan Thursday.

Mr. Heine said the slander suit, against another Estonian emigrant, Juri Raus, who lives in the U.S., was based on Raus' accusation at a public meeting in New York in 1963 that Heine was a Communist and an agent of the Russian KGB secret police.

"100 per cent clean"

The former Estonian professional soldier and by his own claim, post-war guerilla fighter there, said he was "100 per cent clean" of that charge. This despite Raus' admission in the slander hearing to being a CIA agent and production of an affidavit from the deputy director of CIA, Richard Holms.

This is the defendant, Juri Raus,



—CP wirephoto.

Erik Heine

was in possession of information (about Heine) furnished to him by the CIA, and when he spoke concerning the plaintiff... he was acting within the scope and course of his employment by the agency on behalf of the United States."

The slander case is adjourned while ways are sought to present more information on Raus' behalf which will not, as presiding judge Reszel C. Thonsen said last week, "expose the entire U.S. counter-intelligence apparatus."

Mr. Heine, a well-known anti-Communist in the Rexdale suburb where he lives, is a foreman at a woodwork shop and was given his Canadian naturalization papers about three years ago, which, he said was the only time the RCMP had questioned him.

He said he had been captured by the Russians when in the Estonian army, after states early in the last war.

He said he was in Russian prison camps three times and escaped three times, fighting then with what he called "Estonian guerrillas" against the Soviet Union.

5,000 guerrillas

Mr. Heine said the Estonian guerrilla army amounted to about 5,000 men at the end of the war, and that it kept up the fight against the Communists in Estonia until the 1950's. By 1956, when he made his final escape from a Russian prison camp, he said "there were only a handful left."

He came to Canada, he said, because his mother was then living here. He immediately got into the emigrant anti-Communist circles in Toronto, and began to make hundreds of speeches around the country and in the U.S.

"I also made a movie about the guerrillas in 1963," he said, "called the 'Creators of a Legend'" which he showed to Baltic groups "everywhere in the United States and Canada."

Mr. Heine said the CIA had never questioned him, despite the Raus allegations, he had never been refused entry, and in fact last attended a big Baltic Rally in New York City in February this year.

He admitted that his activities had aroused resentment, for some reason, and that he had been subject to so many anonymous phone calls in recent years, that he had taken out an unlisted number.

But he denied any harassment by any agents on behalf of the Russians, just as clearly as he denied that the RCMP had been interested in him.

He did say he was "very worried" by the Raus accusation since it had apparently set the local Estonian-Canadian community against him.

NIAGARA FALLS, N.Y.  
GAZETTE

E-34,911  
S-33,734

APR 27 1966

## There Should Be No License for Slander

The Sunday Gazette's story of Juri Raus and Erik Heine was truth vied with fiction for suspense and intrigue. But it contained something more significant than the claims of Estonian Heine that he had been slandered by Raus.

That is the fact that the Central Intelligence Agency, about which we hear so many stories and few facts, is trying to deny any means of redress to a man whose reputation may have been assassinated by one of its agents.

The CIA says agent Raus was acting under instructions when he accused Heine of being a member of the Soviet Secret Police. But neither the agency nor Mr. Raus defends the accusation as truthful. They simply say that because Raus was a CIA man his actions were privileged and Heine has no grounds for a lawsuit.

The law, as presently interpreted, probably is on the CIA's side. In a 5-to-4 decision in 1959 the Supreme Court decided that two officials of the Office of Rent Stabilization had absolute privilege against a suit for libel because of a press release they issued.

However, Chief Justice Earl Warren, writing for the dissent, said something strangely prophetic. He said the decision could have the "effect of deterring the desirable public discussion of all aspects of our government and the conduct of its officials. It will sanctify the powerful and silence debate. This is a much more serious danger than the possibility that a government official might occasionally be called upon to defend his actions and to respond in damages for a malicious defamation."

We can't even guess whether Raus' claims against Heine are true.

But we know that it's intolerable that government officials should hold an unlimited license for slander. The CIA may be right that security of our country is involved. If that's the case, and the CIA can't prove its case without violating security, then Heine should have the right to claim damages.

And we also know that the U.S. has other interests than its security. Among them are an interest in justice for all, and in the integrity of its courts. Both of those interests are being violated in the present situation.

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DES MOINES, IOWA  
TRIBUNE

E-121,546

APR 27 1966

## A License for Slander

(Washington Post)

**T**HE Central Intelligence Agency is currently engaged in an attempt to deny any means of redress to a man whose character it has ruthlessly assassinated. By an open admission of its deputy director, a CIA operative named Juri Raus was instructed to defame an Estonian, Eerik Heine, active in the Estonian community in the United States, by bruiting it about that Heine was a covert Soviet agent. Heine sued for slander. Raus does not deny that he made the offending statements. At the same time he makes no effort to defend them as truthful. He merely submits to the court a CIA assertion that he said what he said on instructions from his superiors, that what he said is therefore privileged and that Heine's suit ought to be dismissed on these grounds.

### Absolute Privilege

The law is probably on the side of the CIA. In 1959, the Supreme Court decided, by 5 to 4, a case, *Barr v. Matteo*, holding that two subordinate officials of the Office of Rent Stabilization had an absolute privilege against a suit for libel based

upon a press release they had issued.

Chief Justice Earl Warren a dissenting opinion, said phetically and, we think, gether soundly that the de would have the "effect of deterring the desirable public discussion of all aspects of our government and the conduct of its officials. It will sanctify the powerful and silence debate. This is a much more serious danger than the possibility that a government official might occasionally be called upon to defend his actions and to respond in damages for a malicious defamation."

We make no judgment as to the merits of the controversy between Raus and Heine. But we think it intolerable that government officials should hold an unlimited license for slander.

### What Was CIA Doing?

If, as the CIA asserts, "it would be contrary to the security interests of the United States" to release the information relevant to Raus's defense, then the CIA ought to indemnify Heine for the injury done to him. The United States has other interests than security; it has an interest in justice and in the integrity of its courts.

We think that a federal judge ought to have the power to say to the CIA what Judge Albert Reeves said to the FBI when that agency tried to withhold relevant information in the trial of Judith Coplon in 1949: "If it turns out that the government has come into court exposing itself, then it will have to take the peril. If it embarrasses the government to disclose relevant material, then the government ought not to be here."

This case raises some other vital questions. What on earth is the CIA doing trying to manipulate the affairs of the Estonian community in the United States? This kind of interference in the political actions of foreign nationality groups amounts, in our judgment, to a most dangerous sort of subversion, a pollution of one of the main currents of American political life. The CIA ought to be excluded absolutely from involvement in domestic affairs.

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MINNEAPOLIS, MINN.  
STAR

E. 277,505

APR 26 1966

## CIA Needs a Reprimand

MORE THAN a mild sense of outrage might well be the citizen's reaction to the behavior of the Central Intelligence Agency in a case under trial in Baltimore, Md.

An ostensible engineer in the employ of the U.S. Bureau of Public Roads publicly denounced a former Estonian, now living in Canada, as a Russian secret police agent. When the Estonian-Canadian responded with a suit for slander, the CIA came forward, identified the engineer as one of its occasional agents, and claiming that their man's remarks were "privileged" because they were made by a "government official," wants the case dismissed.

The federal judge in the case is not about to allow quick dismissal of the suit. We think he should not. To let this sort of arbitrary action go unchallenged would be to create a mischief-making precedent.

In this case it is a foreigner who is involved, but next time it could just as well be an American citizen who could be accused of all kinds of misconduct, or treason, and stripped of all right to recourse, all means of a fair trial to clear his name. If the CIA, or the FBI or any government agency can make such accusations and then retreat into an impregnable shell of "privilege," then what used to be called McCarthyism is made an instrument of official policy.

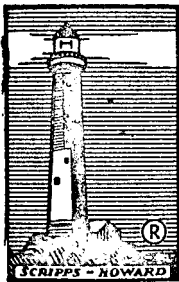
President Johnson and, to a greater degree, Vice-President Humphrey claim to be libertarians, staunch defenders of every citizen's civil rights. The CIA is the executive department's particular responsibility, almost beyond the reach of Congress.

It seems to us, therefore, that it is now up to the administration to show its political color by rescinding this bit of CIA arrogance—and, incidentally, to yank that agency out of its asserted domestic "policy making" role.

U.S.  
RFB

*Handwritten signature*

14 APR 30 1966



# The WASHINGTON DAILY News

A SCRIPPS-HOWARD NEWSPAPER  
"Give light and the people will find their own way"  
Richard Hollander, Editor

Ray F. Mack, Business Manager

SATURDAY, APRIL 30, 1966

DI. 7-7777

1013 13th ST. N.W. (20005)

In Metropolitan Washington: By Carrier, 30c per week; \$1.30 per month. By Mail: 3 months \$3.90; 6 months, \$7.80; per year, \$15.60. Foreign Mail: \$2 a month, \$24 a year. Reg. U. S. Pat. Off.

## Immunity Unjustified

It would be inappropriate and presumptuous to attempt to comment at this stage on the merits of the slander case in which a Canadian citizen charges that a Washington man falsely described him as a Soviet spy. The suit is still before the court.

But one cannot refrain from shock and alarm at the turn the hearing has taken. The defendant claims he was acting as a CIA agent when he made the accusation, and the CIA claims "privilege."

We have witnessed many examples of irresponsible accusations, in which the accuser could not be held accountable because of some kind of immunity. But can we have come to this, that no one of us has protection against character damage by some government agent?

Is the CIA so necessarily supersecret that its agents cannot be made to defend their actions? We hope not. It smacks too much of the secret police — the KGB.



WASHINGTON EVENING STAR, 26 April 1966.

Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2

## AN INTERVIEW IN THE CIA CASE

# Heine Says Mounties Cleared Him

By ORR KELLY  
Star Staff Writer

Eerik Heine believes that he was "cleared" by the Canadian Mounted Police at the same time an agent of Central Intelligence was accusing him of being a Soviet spy.

In a slander suit filed in Federal District Court in Baltimore, Md., a 46-year-old resident of Rexdale, Ont.—and a Canadian citizen—has accused Juri Raus, a 39-year-old engineer for the Bureau of Public Roads, of calling him a Communist and a KGB agent on three separate occasions.

Raus has been publicly identified as one of its agents by the CIA and in a new affidavit filed yesterday the CIA said it had instructed Raus to warn fellow Estonians Heine was "a dispatched Soviet intelligence operative, a KGB agent."

In the fall of 1964, some time after the accusations about him began circulating in the Estonian community, Heine was called by a Canadian Mounted Police officer in Toronto, he said in a recent interview.

### Invited to Office

"They invited me to their office and questioned me about the quarrel with Raus," he said.

"The first time, they questioned me about an hour. The second time, they came to see me and we talked about half an hour.

"I got my Canadian citizenship papers about three weeks later."

This convinced him, Heine said, that the Mounties had found no reason to disbelieve his story that he is a former guerrilla fighter against the Soviet Union—a devoted anti-Communist and an Estonian patriot.

Later, he had several other opportunities to talk to the

Mounted Police agents—whom he described as similar in their function to FBI agents.

On one occasion, he reported what appeared to be an attempt to force open the hood of his car so that it could be bombed. On another occasion, he reported a series of harassing telephone calls. (Heine said he normally responded to the calls with a flood of profanity in Russian, a talent he developed as a long-time prisoner in Russian prisons and slave labor camps.

### Asked 2 Questions

Heine said he asked the mounties two questions—"I asked them if my phone was tapped and they said that was illegal in Canada. And I asked them if they believed I was a Communist. They said, 'We wouldn't be talking to you if we believed that.'"

Heine also revealed that he had voluntarily supplied the FBI with information he refused to divulge during the four days that Raus' attorneys questioned him during the taking of a deposition.

During the deposition, Heine supplied the names of a number of people he said could verify portions of his story of his life and his attorneys have since told the court they have reason to believe that at least 33 persons in North America and Europe have been questioned by private investigators retained by Raus' attorneys.

### Sent List to FBI

But Heine declined to reveal the names of other persons—he said they might be vulnerable to recriminations by the Russians. The deposition, he noted, would become a part of the public court record on the case. Heine said he would go through it for information.

Heine said, however, that since the FBI's record are not open to the public, he had sent the agency a complete list of those who could back up his story.

During the interview in the sparsely furnished living room of his \$18,000 bungalow in Rexdale, a suburb of Toronto, Heine was asked if there had been attempts at indoctrination during the total of seven years he spent as a Russian prisoner.

Yes, he said, there were constant attempts at indoctrination. And yes, he added, there were "traitors" who, either in hopes of better treatment or because they had been convinced, became Communists.

The Estonians, Heine insists, were the "aristocracy" of the prison camps and it would be unthinkable for him to have become a traitor.

The other possibility, he acknowledged, is that he is not really the same Eerik Heine who tried, during his youth, to tear the Red flag from the city hall in his hometown of Tartu, or who fought the Russians in the forests of Estonia. Perhaps the real Eerik Heine has been replaced by a skilled Soviet agent.

There seems little question that, at the time the rumors began to be spread about him 3 years ago, Heine was emerging in a position of influence among Estonians in North America.

He had been elected to a high post in the central body of Estonian groups in Canada and he was touring the United States with a movie he had made about the Estonian guerrilla fighters.

"Maybe I was too successful, pulling people together, giving them new vigor and new hope. After I arrived here, anti-Communism proved here in Canada. When I had such great success, some-

body decided to stop me," he said.

The effort to stop him was made by the CIA through Juri Raus, 39, national commander of the Legion of Estonian Liberation. It has, Heine said, been at least partially successful in that it has split the Estonian community in the United States and Canada into two bitterly divided groups.

In two previous affidavits in which it acknowledged Raus was an agent, the CIA did not make clear that what he said about Heine was precisely what he had been told to say by the CIA.

The new affidavit is geared to remove that doubt.

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FOR

Approved For Release 2005/01/27 : CIA-RDP75-00770R000100180003-2  
PUBLIC AFFAIRS STAFF

*Keep  
Raus*

PROGRAM

Walter Cronkite, Dimension

STATION WCBS

DATE

April 25, 1966 - 5:55 P.M.

CITY

New York

FULL TEXT

WALTER CRONKITE: "When the founding fathers established this nation, they set forth many of their principles in the Declaration of Independence, one of the most eloquent documents of its kind anywhere.

"The Declaration was signed 190 years ago this coming 4th of July. It contains phrases and propositions that have become an integral part of the way we Americans look at ourselves and our government.

"Among them, a decent respect to the opinions of mankind. We've come a long way since 1776, when John Adams, Thomas Jefferson, Ben Franklin and the others put their names to that document. The development of democracy in the United States has been a model, an inspiration for all the world.

"But recent revelations about the activities of the C.I.A. the Central Intelligence Agency, seem likely to blemish the reputation of our government. Unless changes can be made, it will become apparent that we do not have a decent respect to the opinions of mankind."

"The most recent such revelation concerns the intervention of the C.I.A. in a civil action between two Estonian refugees. One of them, now living in Toronto, has sued the other for slander in Baltimore Federal Court.

"The Toronto man, Erick Hina (?) has a reputation among Estonians as an anti-Communist freedom fighter, but the other Estonian, and the defendant in the case, Juri Raus (?), accused

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- 2 -

Hina of being an agent for the K.G.B., the Soviet secret police.

"Now, the C.I.A. has entered the picture. It has presented affidavits that defendant Raus was an agent for the C.I.A. when he made the accusation, and that he did so on orders from the C.I.A.

"The agency also claims immunity for Raus, on grounds that he was working for the C.I.A. And attorneys working for the intelligence agency claim the plaintiff is not entitled to cross-examine officials of the C.I.A., the normal course under the civil code that governs the case.

"The U.S. Attorney General backs up the claims of immunity, and the federal judge in the case concedes those claims probably are valid, based on national security statutes and rulings by the Supreme Court.

"Whatever the merits of either side of the case, it seems clear that a hallowed American judicial practice is being abandoned in the name of national security. And we have only the word of the C.I.A. that national security really is at stake.

"Suppose the C.I.A. were covering up a mistake this way. It's happened before. If that were true -- that's admittedly a big if -- the C.I.A. would be responsible for a monstrous perversion of justice by brushing aside rights and privileges guaranteed under our form of government.

"More on the C.I.A. after this message."

\* \* \* \*

CRONKITE: "Professor Harry Howe Ransom of Vanderbilt University, who has made a long and intensive study of the C.I.A. points out that the cold war mentality of the C.I.A. tends to ape the adversary, that is, we find ourselves imitating totalitarianism, while attempting to defend ourselves from it. It seems clear that a thorough going Congressional investigation would have great value for the nation.

"This is Walter Cronkite, good-day."