

# Mysterious Deaths & Murder Conspiracies

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# Mysterious Deaths Of Marconi Affiliated Scientists

In March of 1988, 52 year old scientist Trevor Knight was found slumped at the wheel of his car in his garage. Carbon monoxide poisoning was listed as the cause of death.

Knight was working as a computer services manager in the guided weapons division of Marconi, a high-tech British defense firm.

Marconi has led the field in weapons-technology research from its first days as a developer of INTELLIGENCE-GATHERING DEVICES for M15, the British FBI.

Trevor Knight was the latest in a series of 25 unsolved deaths beginning in 1982 within the British defense industry, most were either directly working for Marconi or doing contract work for them.

Only superficial inquiries have been made into the very peculiar circumstances involving many of the deaths. Several of the deaths have been deemed suicide by local coroners while others were listed as accidents, no matter how bizarre the situation.

Yet no evidence has come to light showing an organized conspiracy, either domestic or foreign. A U.S. intelligence expert concluded it "probable" that "an enemy intelligence service" was involved.

No suicide notes were found after most of the deaths and the victims appeared happy with both their families and work, most looking forward to the future. This is directly opposite to the classic suicide profile.

In all but one or two cases, no independent witnesses to the deaths were found.

Although Defense research is a high-stress occupation, most of the victims were not suffering from unusual stress.

Responding with indifference, evasion, contradiction and outright disinformation, the British government, local law enforcement and defense firms have ignored the profusion of these mysterious deaths.

An Opposition member of Parliament called for an investigation by the Defense Mystery two years ago. He recently reversed himself and began stating the official ministry line....that the deaths are coincidental and the true enemy is job related stress AND THAT FURTHER INVESTIGATION MIGHT HARM THE NATIONAL INTEREST.

Marconi is now under investigation for \$1.6 billion in alleged fraud and contract padding. It therefore seems possible that several of the dead scientists were either potential whistle-blowers (and consequently murdered) or were implicated in the inquiry (and killed themselves).

One of the victims had worked on a highly classified project called COSMOS. This project involved underwater torpedo research which had direct applications to the US "Star Wars" program.

In one month, April of 1987, five deaths occurred.

Shani Warren, working for a digital communications company called MicroScope, was found drowned in 18 inches of lake water.

Four weeks later, GEC, Marconi's parent company, acquired MicroScope.

Warren was found gagged, with a noose around her neck, her feet bound with rope and her hands tied behind her back. Police estimated a "50/50" chance of suicide, as did the Home Office pathologist. The coroner listed the case as still open.

George Kountis, a systems analyst at Bristol PolyTechnic, was found dead in his upturned BMW in the Liverpool River.

A week earlier, Stuart Gooding, an employee at the Royal Military College of Science, died in a car crash in Cyprus under mysterious circumstances.

One week after the deaths of Warren and Kountis, Mark Wisner, a 24 year old software engineer, was found dead in his home. Around his head was tied a plastic sack with nine feet of plastic wrap around his face. The coroner concluded that death was caused by asphyxiation brought on by a sexual experiment gone wrong.

August 1986, 24 year old Vimal Dajibhai, computer programmer working on the TigerFish torpedo project for Marconi, drove to a 240 foot high suspension bridge west of London. He apparently walked along the edge and fell to his death. Police reports noted a needle-sized puncture mark on his left buttock. Dajibhai was anticipating a new career in London's financial district.

Two months later, another Marconi computer expert, Arshad Sharif tied one end of a rope around a tree and the other around his neck. Sharif then got in his Audi and stepped on the accelerator. Again, the coroner deemed the death a suicide.

David Sands, another Marconi computer scientist was working on a secret radar project when he died in an auto crash in March 1987. He placed a can of gasoline in his car and drove at 80 miles an hour, in clear daylight, into an abandoned cafe. His body was burned beyond recognition.

John Whiteman, a computer expert for British Aerospace, was found drowned in his bathtub. Around the tub were empty bottles of whiskey and sleeping pills, although blood tests revealed no trace of drugs and only a small amount of alcohol in his system.

John Ferry, senior Marconi employee chairing a NATO research committee, was found dead with two electrodes taped to the fillings in his molars and connected to a power line.

Jonathan Wash, a digital communications expert at GEC in November 1985, fell from his West Africa hotel room after expressing fear for his life.

And finally, Peter Peapell, 52 year old metallurgist and lecturer whose work had attracted a high security classification. Two years ago, after returning home from an evening of playing "Trivial Pursuit" with friends, Peapell's wife went to bed, leaving him to put away the car. The next morning Peapell was found in the garage, underneath the car and with his mouth neatly aligned with the end of the exhaust pipe of the car, the motor still running. According to police, the position was impossible to get into with the garage door closed. The inquest recorded an open verdict and the case remains unsolved.

# Who's Killing The Star Wars Scientists ?

## Did 22 SDI Researchers Really All Commit Suicide ?

Fifty-year-old Alistair Beckham was a successful British aerospace-projects engineer. His specialty was designing computer software for sophisticated naval defense systems. Like hundreds of other British scientists, he was working on a pilot program for America's Strategic Defense Initiative--better known as Star Wars. And like at least 21 of his colleagues, he died a bizarre, violent death.

It was a lazy, sunny Sunday afternoon in August 1988. After driving his wife to work, Beckham walked through his garden to a musty backyard toolshed and sat down on a box next to the door. He wrapped bare wires around his chest, attached the to an electrical outlet and put a handkerchief in his mouth. Then he pulled the switch.

With his death, Beckham's name was added to a growing list of British scientists who've died or disappeared under mysterious circumstances since 1982. Each was a skilled expert in computers, and each was working on a highly classified project for the American Star Wars program. None had any apparent motive for killing himself.

The British government contends that the deaths are all a matter of coincidence. The British press blames stress. Others allude to an ongoing fraud investigation involving the nation's leading defense contractor. Relatives left behind don't know what to think.

"There weren't any women involved. There weren't any men involved. We had a very good relationship," says Mary Beckham, Alistair's widow. "We don't know why he did it...if he did it. And I don't believe that he =did= do it. He wouldn't go out to the shed. There had to be something...."

The string of unexplained deaths can be traced back to March 1982, when Essex University computer scientist Dr. Keith Bowden died in a car wreck on his way home from a London social function. Authorities claim Bowden was drunk. His wife and friends say otherwise.

1 Bowden, 45, was a whiz with super-computers and computer-controlled aircraft. He was co-founder of the Department of Computer Sciences at Essex and had worked for one of the major Star Wars contractors in England.

One night Bowden's immaculately maintained Rover careened across a four-lane highway and plunged off a bridge, down an embankment, into an abandoned rail yard. Bowden was found dead at the scene.

During the inquest, police testified that Bowden's blood alcohol level had exceeded the legal limit and that he had been driving too fast. His death was ruled accidental.

Wife Hillary Bowden and her lawyer suspected a cover-up. Friends he'd supposedly spent the evening with denied that Bowden had been drinking. Then there was the condition of Bowden's car.

"My solicitor instructed an accident specialist to examine the automobile," Mrs. Bowden explains. "Somebody had taken the wheels off and put others on that were old and worn. At the inquest this was not allowed to be brought up. Someone asked if the car was in a sound condition, and the answer was yes."

Hillary, in a state of shock, never protested the published verdict. Yet, she remains convinced that someone tampered with her husband's car. "It certainly looked like foul play," Hillary maintains.

Four years later the British press finally added Bowden's case to its growing dossier. First, there appeared to be two interconnected deaths, then six, then 12--suddenly there were 22.

Take 37-year-old David Sands, a senior scientist at Easams working on a highly sensitive computer-controlled satellite-radar system. In March 1987 Sands made a U-turn on his way to work and rammed his car into the brick wall of a vacant restaurant. His trunk was loaded with full gasoline cans. The car exploded on impact.

Given the incongruities of the accident and the lack of a suicide motive, the coroner refused to rule out the possibility of foul play. Meanwhile, information leaked to the press suggested that Sands had been under a tremendous emotional strain.

Margaret Worth, Sand's mother-in-law, claims these stories are totally inaccurate. "When David died, it was a great mystery to us," she admits. "He was very successful. He was very confident. He had just pulled off a great coup for his company, and he was about to be greatly rewarded. He had a very bright future ahead of him. He was perfectly happy the week before this happened."

Like many of the bereaved, Worth is still at a loss for answers. "One week we think he must have been got at. The next week we think it couldn't be anything like that," she says.

This wave of suspicious fatalities in the ultrasecret world of sophisticated weaponry has not gone

unnoticed by the United States government. Late last fall, the American embassy in London publicly requested a full investigation by the British Ministry of Defense (MoD).

Members of British Parliament, such as Labour MP Doug Hoyle, co-president of the Manufacturing, Science & Finance Union, had been making similar requests for more than two years. The Thatcher government had refused to launch any sort of inquiry.

"How many more deaths before we get the government to give the answers?" Hoyle asks. "From a security point of view, surely both ourselves and the Americans ought to be looking into it."

The Pentagon refuses comment on the deaths. However, according to Reagan Administration sources, "We cannot ignore it anymore."

Actually, British and American intelligence agencies are on the situation. When THE SUNDAY TIMES in London published the details of 12 mysterious deaths last September, sources at the American embassy admitted being aware of at least ten additional victims whose names had already been sent to Washington. The sources added that the embassy had been monitoring reports of "the mysterious deaths" for two years.

English intelligence has suffered several damaging spy scandals in the 20 century. The CIA may suspect the deaths are an indication of security leaks, that Star Wars secrets are being sold to the Russians. Perhaps these scientists had been blackmailed into supplying classified data to Moscow and could no longer live with themselves. One or more may have stumbled onto an espionage ring and been silenced.

As NBC News London correspondent Henry Champ puts it, "In the world of espionage, there is a saying: Twice is coincidence, but three times is enemy action."

Where SDI is concerned, a tremendous amount is at stake.

In return for the Thatcher government's early support of the Star Wars program, the Reagan Administration promised a number of extremely lucrative SDI contracts to the British defense industry--hundreds of millions of U.S. dollars the struggling British economy can little afford to lose.

Britain traditionally has one of the finest defense industries in the world. Their annual overseas weapons sales amount to almost \$250 billion. The publicity from a Star Wars spy scandal could seriously cut into the profits.

It would appear that only initial promises made to Prime Minister Thatcher hold the U.S. from cutting its losses and pulling out. A high-ranking American source was quoted in the SUNDAY TIMES saying, "If

this had happened in Greece, Brazil, Spain, or Argentina, we'd be all over them like a glove!"

The Thatcher government's PR problem is that the scandal centers around Marconi Company Ltd., Britain's largest electronics-defense contractor. Seven Marconi scientists are among the dead.

Marconi, which employs 50,000 workers worldwide, is a subsidiary of Britain's General Electric Company (GEC). GEC managing director Lord Wienstock recently launched his own internal investigation.

Yet, the GEC and the Ministry of Defense still contend that the 22 deaths are coincidental. A Ministry of Defense spokesman claims to have found "no evidence of any sinister links between them."

However, an article in the British publication THE INDEPENDENT claims the incidence of suicide among Marconi scientists is twice the national average of mentally healthy individuals. Either Marconi is hiring abnormally unstable scientists or something is very wrong.

Two deaths brought the issue to light in the fall of 1986. Within weeks of each other, two London-based Marconi scientists were found dead 100 miles away, in Bristol. Both were involved in creating the software for a huge, computerized Star Wars simulator, the hub of Marconi's SDI program. Both had been working on the simulator just hours before their death. Like the others, neither had any apparent reason to kill himself.

Vimal Dajibhai was a 24-year-old electronics graduate who worked at Marconi Underwater Systems in Croxley Green. In August 1986 his crumpled body was found lying on the pavement 240 feet below the Clifton Suspension Bridge in Bristol.

An inquest was unable to determine whether Dajibhai had been pushed off the bridge or whether he had jumped. There had been no witnesses. The verdict was left open. Yet, authorities did their best to pin his death on suicide.

Police testified that Dajibhai had been suffering from depression, something his family and friends flatly denied. Dajibhai had absolutely no history of personal or emotional problems.

Police also claimed that the deceased had been drinking with a friend, Heyat Shah, shortly before his death, and that a bottle of wine and two used paper cups had been found in his car. Yet, forensic tests were never done on the auto, and those who knew Vimal, including Shah, say that he had never taken a drink of alcohol in his life.

Investigating journalists found discrepancies in other evidence. "A police report noted a puncture mark on Dajibhai's left buttock after his fall from the bridge," explains Tony Collins, who covered the story for

Britain's COMPUTER NEWS magazine. "Apparently, this was the reason his funeral was halted seconds before the cremation was to take place.

"Members of the Family were told that the body was to be taken away for a second postmortem, to be done by a top home-office pathologist. That's not normal. Then, a few months later, police held a press conference and announced that it hadn't been a puncture mark after all, that it was a wound caused by a bone fragment.

"I find it very difficult to reconcile the initial coroner's report with what the police were saying a few months later," Collins contends.

Officials didn't fare any better with the second Bristol fatality. Police virtually tripped over themselves to come up with a motive for the apparent--and unusually violent--suicide of Ashaad Sharif.

Sharif was a 26-year-old computer analyst who worked at the Marconi Defense Systems headquarters in Stanmore, Middlesex. On October 28, 1986, he allegedly drove to a public park not far from where Dajibhai had died. He tied one end of a nylon cord around a tree and tied the other end around his neck. Then he got back into his Audi 80 automatic, stepped on the gas and sped off, decapitating himself.

Marconi initially claimed Sharif was only a junior employee, and that he had nothing to do with Star Wars. Co-workers stated otherwise. At the time of his death, Sharif was apparently about to be promoted. Also, Ashaad reportedly worked for a time in Vimal Dajibhai's section.

The inquest determined that Sharif's death was a suicide. Investigating officers maintained that the man had killed himself because he'd been jilted by an alleged lover. Ashaad hadn't seen the woman in three years.

"Sharif was said to have been depressed over a broken romance," Tony Collins explains. "But the woman police unofficially say was his lover contends that she was only his landlady when he was working for British Aerospace in Bristol. She's married, has three children, and she's deeply religious. The possibility of the two having an affair seems highly unlikely--especially since Sharif had a fiancée in Pakistan. His family told me that he was genuinely in love with her."

Police suddenly switched stories. They began to say that Sharif had been deeply in love with the woman he was engaged to, and that he'd decapitated himself because another woman was pressuring him to call off the marriage.

Authorities claimed to have found a taped message in Sharif's car "tantamount" to a suicide note. On it, officers said, he'd admitted to having had an affair, thus

bringing shame on his family. Family members who've heard the tape say that it actually gave no indication of why Sharif might want to kill himself.

Sharif's family was told by the coroner that it was "not in their best interest" to attend the inquest.

"It's been almost impossible to get to information about deaths that should be in the public domain," Tony Collins laments. "I've been given false names or incorrect spellings, or I've not been told where inquests have taken place. It's made it very difficult for me to try to track down the details of these cases."

In the Sharif case, two facts stand out: Ashaad had no history of depression, and there was absolutely no reason for him to be in Bristol.

A widely held theory among the establishment press is that the mysterious deaths are stress-related accidents or suicides. Such theories may not be far off the mark.

According to a high-ranking British government official, for the past year and a half the Ministry of Defense has been secretly investigating Marconi on allegations of defense-contract fraud--overcharging the government, bribing officials. The extensive probe has required most of the MoD's investigative resources, conceivably reaching as far as Marconi's sub-contractors and into MoD research facilities such as the Royal Military College of Science and the Royal Air Force Research Center.

Almost all of the dead scientists were associated with one or more of these establishments.

If Marconi employees were being forced by management to perform or to cover up illegal activities, it may be that the stress did indeed get to them.

"In America, there are considerable incentives for people to blow the whistle if they're being asked to perform illegal acts like ripping off the government," a confidential source in Parliament explains. "However, in this country there have been perhaps 20 people who've blown the whistle, and none of them have ever worked again. They didn't receive any compensation. Here, you don't get any recognition. You get threatened with prosecution under the Official Secrets Act. They can fire you. Then they can take away your home and get you blacklisted.

"It's an impossible position to be placed in," the source adds. "It's quite conceivable that these people could have killed themselves because they felt terribly ashamed of what they'd done. For that matter, some of the accidents or suicides could have been men who'd taken bribes but who couldn't face the embarrassment of public disclosure."

If Marconi =was= systematically defrauding the government for millions of pounds each year, perhaps an employee stumbled upon incriminating evidence

and had to be done away with. It would be easy enough to make it look like an accident.

Consider the peculiar death of Peter Peapell, found dead beneath his car in the garage of his Oxfordshire home. Peapell, 46, worked for the Royal Military College of Science, a world authority on communications technology, electronics surveillance and target detection. Peapell was an expert at using computers to process signals emitted by metals. His work reportedly included testing titanium for its resistance to explosives.

On the night of February 22, 1987, Peapell spent an enjoyable evening out with his wife, Maureen, and their friends. When they returned home, Maureen went straight to bed, leaving Peter to put the car away.

When Maureen woke up the next morning, she discovered that Peter had not come to bed. She went looking for him. When she reached the garage, she noticed that the door was closed. Yet she could hear the car's engine running.

She found her husband lying on his back beneath the car, his mouth directly below the tail pipe. She pulled him into the open air, but he was already dead.

Initially, Maureen thought her husband's death an accident. She presumed he'd gotten under the car to investigate a knocking he'd heard driving home the night before, and that he'd gotten stuck. But the light fixture in the garage was broken, and Peter hadn't been carrying a flashlight.

Police had their own suspicions. A constable the same height and weight as Peter Peapell found it impossible to crawl under the car when the garage door was closed. He also found it impossible to close the door once he was under the car.

Carbon deposits from the inside of the garage door showed that the engine had been running only a short time. Yet, Mrs. Peapell had found the body almost seven hours after she'd gone to bed.

The coroner's inquest could not determine whether the death was a homicide, a suicide or an accident. According to Maureen Peapell, Peter had no reason to kill himself. They had no marital or financial problems. Peter loved his job. He'd just received a sizable raise, and according to colleagues, he'd exhibited "absolutely no signs of stress."

We may never know what is killing these scientists. Everyone has a theory.

The National Forum Foundation, a conservative Washington D.C., think tank, believes the deaths are the work of European-based, left-wing terrorists, such as those who took credit for gunning down a West German bureaucrat who'd negotiated Star Wars contracts. The group also claims the July 1986

bombing death of a researcher director from the Siemens Company--a high-tech, West German electronics firm. They have yet to take credit for any of the scientists.

A more outrageous theory suggests that the Russians have developed an electromagnetic "death ray," with which they're driving the British scientists to suicide. A supermarket tabloid contends the ultrathin waves emitted by the device interfere with a person's brain waves, causing violent mood shifts, including suicidal depression.

The genius of such a weapon is that the victim does all the dirty work --and-- takes all the blame. Yet, if the Soviets --have-- actually developed such a weapon, why waste it on 22 British defense workers?

Are the scientists victims of a corrupt defense industry? Have they been espionage pawns? Are the deaths nothing more than an extraordinary coincidence? Guess.

#### DOSSIER OF DEATH

**AUTO ACCIDENT**--Professor Keith Bowden, 45, computer scientist, Essex University. In March 1982 Bowden's car plunged off a bridge, into an abandoned rail yard. His death was listed as an accident.

**MISSING PERSON**--Lieutenant Colonel Anthony Godley, 49, defense expert, head of work-study unit at the Royal Military College of Science. Godley disappeared in April 1983. His father bequeaths him more than \$60,000, with the proviso that he claim it by 1987. He never showed up and is presumed dead.

**SHOTGUN BLAST**--Roger Hill, 49, radar designer and draftsman, Marconi. In March 1985 Hill allegedly killed himself with a shotgun at the family home.

**DEATH LEAP**--Jonathan Walsh, 29, digital-communications expert assigned to British Telecom's secret Martlesham Heath research facility (and to GEC, Marconi's parent firm). In November 1985 Walsh allegedly fell from his hotel room while working on a British Telecom project in Abidjan, Ivory Coast (Africa). He had expressed a fear for his life. Verdict: Still in question.

**DEATH LEAP**--Vimal Dajibhai, 24, computer-software engineer (worked on guidance system for Tigerfish torpedo), Marconi Underwater Systems. In August 1986 Dajibhai's crumpled remains were found 240 feet below the Clifton suspension bridge in Bristol. The death has not been listed as a suicide.

**DECAPITATION**--Ashaad Sharif, 26, computer analyst, Marconi Defense Systems. In October 1986, in Bristol, Sharif allegedly tied one end of a rope around a tree and the other end around his neck, then drove off in his car at high speed. Verdict: Suicide.

**SUFFOCATION**--Richard Pugh, computer consultant for the Ministry of Defense. In January 1987 Pugh was found dead, wrapped head-to-toe in rope that was tied four times around his neck. The coroner listed his death as an accident due to a sexual experiment gone awry.

**ASPHYXIATION**--John Brittan, Ministry of Defense tank batteries expert, Royal Military College of Science. In January 1987 Brittan was found dead in a parked car in his garage. The engine was still running. Verdict: Accidental death.

**DRUG OVERDOSE**--Victor Moore, 46, design engineer, Marconi Space Systems. In February 1987 Moore was found dead of a drug overdose. His death is listed as a suicide.

**ASPHYXIATION**--Peter Peapell, 46, scientist, Royal Military College of Science. In February 1987 Peapell was found dead beneath his car, his face near the tail pipe, in the garage of his Oxfordshire home. Death was due to carbon-monoxide poisoning, although test showed that the engine had been running only a short time. Foul play has not been ruled out.

**ASPHYXIATION**--Edwin Skeels, 43, engineer, Marconi. In February 1987 Skeels was found dead in his car, a victim of carbon-monoxide poisoning. A hose led from the exhaust pipe. His death is listed as a suicide.

**AUTO ACCIDENT**--David Sands, satellite projects manager, Eassams (a Marconi sister company). Although up for a promotion, in March 1987 Sands drove a car filled with gasoline cans into the brick wall of an abandoned cafe. He was killed instantly. Foul play has not been ruled out.

**AUTO ACCIDENT**--Stuart Gooding, 23, postgraduate research student, Royal Military College of Science. In April 1987 Gooding died in a mysterious car wreck in Cyprus while the College was holding military exercises on the island. Verdict: Accidental death.

**AUTO ACCIDENT**--George Kountis, experienced systems analyst at British Polytechnic. In April 1987 Kountis drowned after his BMW plunged into the Mersey River in Liverpool. His death is listed as a misadventure.

**SUFFOCATION**--Mark Wisner, 24, software engineer at Ministry of Defense experimental station for combat aircraft. In April 1987 Wisner was found dead in his home with a plastic bag over his head. At the inquest, his death was ruled an accident due to a sexual experiment gone awry.

**AUTO ACCIDENT**--Michael Baker, 22, digital-communications expert, Plessey Defense Systems. In May 1987 Baker's BMW crashed through a road barrier, killing the driver. Verdict: Misadventure.

**HEART ATTACK**--Frank Jennings, 60, electronic-weapons engineer for Plessey. In June 1987 Jennings allegedly dropped dead of a heart attack. No inquest was held.

**DEATH LEAP**--Russel Smith, 23, lab technician at the Atomic Energy Research Establishment. In January 1988 Smith's mangled body was found halfway down a cliff in Cornwall. Verdict: Suicide.

**ASPHYXIATION**--Trevor Knight, 52, computer engineer, Marconi Space and Defense Systems. In March 1988 Knight was found dead in his car, asphyxiated by fume from a hose attached to the tail pipe. The death was ruled a suicide.

**ELECTROCUTION**--John Ferry, 60, assistant marketing director for Marconi. In August 1988 Ferry was found dead in a company-owned apartment, the stripped leads of an electrical cord in his mouth. Foul play has not been ruled out.

**ELECTROCUTION**--Alistair Beckham, 50, software engineer, Plessey. In August 1988 Beckham's lifeless body was found in the garden shed behind his house. Bare wires, which ran to a live main, were wrapped around his chest. No suicide note was found, and police have not ruled out foul play.

**ASPHYXIATION**--Andrew Hall, 33, engineering manager, British Aero-space. In September 1988 Hall was found dead in his car, asphyxiated by fumes from a hose that was attached to the tail pipe. Friends said he was well liked, had everything to live for. Verdict: Suicide.

# Interview On The Stephen Carr Murder Conspiracy

Broadcast by Pacifica Radio Station

WBAI-FM (99.5), 505 Eighth Ave, 19th Fl., New York, NY 10018, (212) 279-0707

This is a transcription of an interview with Peter Dale Scott, co-author with Jonathan Marshall, of COCAINE POLITICS.

[Dennis Bernstein is referring to Stephen Carr, who was murdered before he was due to testify in court against criminals in our Government.]

DENNIS BERNSTEIN: I did some research on this myself and I know, in terms of the autopsy, the coroner's office in Los Angeles was immediately notified that this was a potential Congressional witness, and nevertheless, the body sat over a week-end unprotected, and there were many concerns about how it was being kept and being transported. There are still many questions about that.

PETER DALE SCOTT: My memory is that the family insisted on moving the body to Florida and, when it was moved to Florida, insisted on another autopsy report. And for the first time, there was a report of needle marks behind the left elbow, which doesn't sound like your classical way of ingesting cocaine, so I think it was a very suspicious death. Not the only one, by the way, of witnesses to this case. Other witnesses who did testify had their lives threatened. A bomb went off outside the house of Joe Coutine. Jack Terrell was told that if .... what happened to Jack Terrell is a whole story in itself, but his life was threatened. And I must say that it was amazing to me as I went, as a university professor, to Washington at the height of the Iran-Contra affair. During the hearings, I was in Washington talking on your WBAI show from time to time. And the number of people in Washington who had bravely helped to break the Contra drug story, but who were terrified and who will not allow me to name who they are because that's how terrified they are. And this was happening right in the nation's capitol.

DENNIS BERNSTEIN: So here we are with Felipe Vidal and Rene Corvo in Costa Rica financed by Frank Castro and his operations. Incidentally, I believe it was the case that Jose Coutine was working on as an informant for the Miami PD, and he actually found information, or testified, or reported to his handlers at the Miami PD that Frank Castro was involved in drug trafficking, and, in fact, that information was passed along to the FBI, because it is stamped "FBI" and "George Kuzinski" on the actual interviews with Coutine. So they did know rather early.

PETER DALE SCOTT: Yes, and they were actually the subject of an investigation which went nowhere and enlarged eventually into an investigation of Corvo and Vidal down in Costa Rica. What we haven't mentioned so far – and this is the key to what made this so sensitive – is that when Oliver North assumed responsibilities for coordinating various Contra efforts and finding support for them, he had a leg man, Robert Owen, whom people may remember from the hearings. He testified under oath that there was absolutely nothing to the Christic charges, although many of them are corroborated by his notes to Oliver North, which we now have. Owen was going down to Costa Rica and to Honduras and to El Salvador. In Costa Rica he would regularly see John Hull, and he regularly saw a man he

called Max who was Felipe Vidal. He regarded Rene Corvo as a bit of a maverick, but he relied very heavily on Felipe Vidal to coordinate activities with the assets – the right-wing assets down there who included some more ex-Miami CIA Cubans in an outfit called Frigorificos de Puntarenas. It was a shrimp freezing outfit which was actually designated by the DEA [U.S. Drug Enforcement Agency] as a front for laundering drug money. These were drug traffickers that Felipe was working with Robert Owens' and Oliver North's encouragement. And things had gotten so mixed up and inverted down there that in one of Owens' memos – which was heavily censored by the Iran-Contra Committee, but we have it from a Christic deposition – Owen was talking about how the Cubans and the Frigorificos and Felipe Vidal were going to run some shrimp boats for covert operations, and Owen was negotiating with North to get two DEA agents seconded down to Costa Rica to work under the direction of these drug traffickers. So you can see just how high level this collaboration between the White House and the National Security Council and the drug traffickers in Costa Rica had become.

Now, Jack Terrell brought this to the attention of the FBI. And the FBI already had an investigation of Corvo going because of the bombing of this bank in Miami. And you had a young Assistant U.S. Attorney in Miami, Jeffrey Feldman, who got the approval of his superiors to go down and start talking to people in Costa Rica about what it was that Corvo and Vidal were doing. And he expected to have the support of the U.S. Embassy. And pretty soon he learned, to his amazement, that the Embassy became very involved in this case, but involved on behalf of the people whom he was trying to interview, and [the Embassy] actually advised John Hull not to interview and, also advised Washington – which is to say, Oliver North – of what was going on.

The upshot of all this, which was partly talked about in the Iran-Contra report, was that the whole investigation was stymied. Jeffrey Feldman had recommended going to a grand jury. First of all, they just turned that down. Then, at a higher level, without his knowing, they turned his recommendation to go to a grand jury into a recommendation NOT to go to a grand jury, because this would be "a fishing expedition". Then the Justice Department, or individuals in it, leaked this falsified recommendation, the opposite of what he had recommended. They leaked it to the Press at exactly the same time that the Christic Institute had filed its lawsuit against some of these individuals as defendants.

Right now, these CIA and DEA criminals against the American people are fiercely attempting to destroy the Christic Institute and thus, to assassinate the last force of justice to be dogging their trail. The criminals are brandishing the power of the people, vested in the Federal Government, as their assassination weapon. They have corrupted the Federal courts to rule against the Christic Institute's lawsuit on behalf of the American people. These corrupt courts have levied fines approaching two million dollars, in an effort to bankrupt the Christic Institute.



# The USS Liberty-Gate Scandal

From Defense Electronics, October 1981.

Editor's Note: This article is printed by \*Defense Electronics\* as an example of a direct attack on U.S. forces by a nation that has access to advanced western military equipment, and which is an ally. In light of the Libyan-U.S. air clash in August and the loss of advanced equipment in Iran, the danger of western technology being used against U.S. forces by a hostile Third World nation is apparent. This article is presented in unabridged form and represents only the views of its author.

## PART ONE

### Israeli Attack on U.S. Ship Reveals Failure of C3

By James M. Ennes, Jr., Deck Officer of the USS Liberty

Fourteen years ago, the USS Liberty was attacked by Israeli Warplanes and ships, resulting in the deaths of 34 Americans and the wounding of 171 others. The attack lasted 2 and 1/2 hours and ended the Navy's program of dedicated electronic intelligence collection ships.

Fourteen years ago, one of the most serious peacetime American naval disasters occurred, and perhaps the most serious since the sinking of the battleship \*Maine\* in 1898. But while every bright schoolchild remembers some details of the explosion that led to the Spanish-American War, hardly anyone can recall the attack on the USS Liberty in 1967, which cost the lives of 34 Americans, wounded 171 others, and brought a premature end to the Navy's program of dedicated electronic collection ships.

The attack on the USS Liberty by Israeli forces on the fourth day of the Arab-Israeli Six Day War is not widely known because the facts are politically and diplomatically awkward. The truth about the attack includes evidence that this was a planned, carefully coordinated and deliberate attack by a friendly power upon a known American naval vessel, and a botched exercise of Command, Control, and Communications. But such knowledge is politically unwelcome in the United States, so the facts about the attack were withheld from the American people.

In 1967, the US Navy operated a worldwide fleet of electronic intelligence collection ships under tasking from the Department of Defense. These consisted of United States Ships \*Oxford\*, \*Georgetown\*, and \*Jamestown\*, which operated on converted Liberty hulls; \*Belmont\* and \*Liberty\*, on Victory hulls; \*Banner\*, \*Pueblo\*, and \*Palm Beach\*, on converted 180-foot AKL hulls; and civilian-manned United States Naval Ships \*Private Jose E. Valdez\* and \*Sergeant Joseph P. Muller\*, on converted 338-foot T-AG hulls.

In May 1967, as tension built rapidly toward what would soon become the "Six Day War," USS Liberty was diverted from her usual patrol area on the west coast of Africa to patrol a section of the Gaza Strip in the Eastern Mediterranean.

The trip required 16 days of hard steaming, and when Liberty arrived at her assigned station, the war was four days old and almost over.

I was Liberty's electronic materials officer. A 34-year-old former enlisted man, I took special pride in my Navy commission, my lieutenant's rank, and my specialty in cryptology. I was soon to be assigned officer of the deck for special sea detail and general quarters. And as the ship arrived on station 13 miles from the Israeli and Egyptian coasts, I was to be officer of the deck for the forenoon watch.

## THROUGHOUT THE NIGHT

The ship had been reconnoitered throughout the night by Israeli military aircraft. Well before midnight, Liberty's cryptologic operators had detected fire control radar directed steadily at the ship by orbiting Israeli aircraft. But the supervisor on duty refused to believe that Israeli forces would direct fire control radar at an American ship, and so he insisted that the operators must have misinterpreted the signal. The signal went unreported.

## 0700 HOURS

At about 0700, as I relieved the watch on the bridge, I was told that a "flying boxcar," later identified as an Israeli Nord 2501 Noratlas reconnaissance aircraft, had circled the ship from a distance at sunrise.

I checked out colors, found them dirty and ragged after several days of high-speed steaming, and ordered them replaced. Two extra lookouts were stationed above the bridge, and I ordered them to keep an eye on the flag to assure that it never fouled.

## 0900 HOURS

At 0900, the ship reached point "alfa," the northernmost point of our assigned patrol track. I turned south and slowed to five knots, and at that moment we were reconnoitered by a single jet aircraft. I immediately checked the flag and saw it clearly displayed in a good breeze. We were headed almost directly into a four-knot wind, giving us nine knots over the decks, which was more than enough to hold the flag aloft. For the next several hours, the wind increased steadily, reaching 12 knots over the deck before the ship came under attack.

## 1000 HOURS

At about 1000, the ship was circled three times at low level by two armed Israeli Mirage jets, each carrying 18 rockets under each wing. One of the pilots was heard reporting by radio to Israeli headquarters that we were flying the American flag, but this was no news to the Israeli war room. Duty officers in the war room had identified the ship long before and had plotted her track on a large wall chart, along with her name, her top speed, and a reference to her intelligence mission. And according to several reports,

Israel's immediate reaction to the ship's presence was to complain bitterly to the United States via the Central Intelligence Agency, demanding that the ship be moved.

The United States made several serious, almost frantic attempts to move the ship. As the Liberty approached Gaza, the Joint Chiefs of Staff first sent a priority message ordering the ship to move 20 miles from the coast; the message was swamped by higher precedence traffic and was not processed until long after the crisis had ended. Hours later, a JCS duty officer phoned naval headquarters in London to relay an urgent JCS order to move the ship 100 miles from the coast; the telephone call was ignored, and Liberty's copy of the confirming message was misrouted to the Philippines before being returned to the Pentagon, where it was again misrouted, this time to Fort Meade in Maryland, where it was lost.

Eventually, at least six critical messages were lost, delayed, or otherwise mishandled. Any one of those messages might have saved Liberty. None reached the ship.

During the next four hours, the ship was visited five more times by Israeli reconnaissance aircraft, usually flying at very low level, and always close enough that I could readily see the pilot. On one occasion, the captain was on the bridge when the Noratlas approached at masthead level, causing him to warn me of a possible bombing run; the aircraft passed overhead at such low level that the deck plating shook.

The continued close surveillance was reassuring. Israel was an ally and, although several Arab states were then hostile toward the United States, Israel clearly dominated the sky, and we were comforted to be watched so closely, as this seemed to assure that there could be no mistakes.

#### 1400 HOURS

After being relieved of the watch at noon, I spent most of the noon hour on the bridge preparing for a general quarters drill scheduled for 1300. Finally, at 1400, all drills and bridge duties were completed, and I was preparing to go below after nearly seven hours on the bridge when three aircraft and three high-speed surface craft were simultaneously picked up on radar, all approaching the ship from starboard quarter.

Moments later, the ship came under severe and continued attack, first by Israeli Mirage jets that momentarily knocked out our four puny 50-caliber machine guns and disabled all radio antennas, then by slower Israeli Mystere jets, which plastered the stack, gun mounts, open bridge, and superstructure with an inferno of napalm.

When technicians jury-rigged an antenna in order to call for help, radiomen found the frequencies blocked by buzz saw signals from the jets. Radiomen worked on their hands and knees and held microphones close to the deck to escape

smoke and heat from fires nearby, and in less than nine minutes, they broke through the jamming. The carrier \*Saratoga\*, operating about 500 miles away from the Sixth Fleet near Crete, was first to answer.

On the bridge of the Saratoga, Captain Joseph Tully promptly turned his ship into the wind and relayed Liberty's message to the Sixth Fleet commander, Vice Admiral William Martin, who was on the bridge of his flagship conducting maneuvering exercises. Because of the emergency, Captain Tully addressed the message directly to Admiral Martin with his personal callsign on the Primary Tactical Maneuvering Circuit (PRI-TAC), and then he duplicated the transmission by teletype and flashing light with information copies to naval headquarters in Washington and London.

Admiral Martin immediately directed carriers \*Saratoga\* and \*America\* to launch aircraft to defend Liberty, but when the launch order was executed, only Saratoga launched. Except for some F-4 Phantoms that were eventually sent up to defend the fleet, \*America\* did not respond. She had, according to some reports, been authorized to relax from an alert posture that was imposed on much of the rest of the fleet. (The aircraft \*America\* did launch for air defense were thought by some to have been armed with nuclear weapons, since it was widely known that nuclear-armed weapons were in alert status, but it is now clear that no such aircraft were launched.)

Captain Tully sent a flashing light query to Captain Donald Engen on the America, and got no reply. Moments later Saratoga's aircraft were recalled without explanation by Rear Admiral Lawrence Geis, who commanded the carrier task force.

America, which had no appropriate conventional armament in position, started bringing up weapons from below decks, while Saratoga, which \*was\* prepared to defend Liberty was required to wait - apparently for White House permission.

Meanwhile, unobstructed by Sixth Fleet air power, the three Israeli torpedo boats arrived on schedule to finish the job. The target was already in flames after 25 to 30 minutes of aerial strafing and napalm bombardment by perhaps a dozen aircraft.

The boats approached at high speed and fired torpedoes from 2,000 yards but, owing to a near collision between two boats at the moment of firing, the first shots went wild. One torpedo passed safely astern, where it missed by a bare 25 yards. Another passed so close ahead of the ship that it vanished under the bow, "sounding like a motorboat" to Petty Officer Rick Aimetti, who stood, astonished, on the forecandle. And one torpedo made a direct hit on the ship's cryptologic spaces, where it killed 25 men and momentarily trapped at least 50 more in the flooded compartment.

# The Death Of The Kemper Marley Machine In Arizona

In 1948 fifty two employees of Kemper Marley's Arizona liquor monopoly, UNITED LIQUOR, went to prison on federal liquor violations, including Jim Hensley, the father-in-law of Senator John McCain. Hensley was the general manager of UNITED LIQUOR. On the basis of this some people might feel UNITED LIQUOR could be described as organized crime. The slick attorney who kept Marley out of this trial and sent McCain's father-in-law to prison in his place was William Rendquist, currently the Chief Justice of the U.S. Supreme Court!

It was the judgment of the court that Jim Hensley would be prohibited from working in the liquor industry ever again. Of course such judgments meant nothing to Marley. When Jim Hensley got out of prison Marley arranged a BUDWEISSER distributorship for Hensley which is now in the hands of John McCain and reported to be worth \$200 million.

The best source for an introduction to the environment of total corruption in Arizona is THE ARIZONA PROJECT: HOW A TEAM OF INVESTIGATIVE REPORTERS GOT REVENGE ON DEADLINE, a book written by Michael Wendland. Wendland was part of the group called INVESTIGATIVE REPORTERS AND EDITORS who came to Phoenix in the wake of the car bombing of the ARIZONA REPUBLIC's investigative reporter, Don Bolles. It was the conclusion of this group that Marley, by far the wealthiest man in Arizona, was behind this murder.

There are many reasons to believe that Don Bolles was not killed because he was a white knight. When Bolles testified before the HOUSE ORGANIZED CRIME COMMITTEE he required immunity. Why? The best clue to his death lies in his last words: "Adamson, EMPRISE the mafia". John Adamson was the hit man arranged by the establishment attorney, Neal Roberts. EMPRISE was a dog track interest which had changed its name from SPORTSERVICE. There was a court case #xxxxxx SPORTSERVICE V JARVIS STIEGER available to anyone interested in the motive which contained all the plausible reasons for this hit. Exhibits in this case alleged that Bolles, who was visibly living beyond his means, was wheeling and dealing with the gangsters.

A good companion reader to this is THE LAST RAMPAGE OF GARY TYSON. Written by a journalism professor from the UNIVERSITY OF ARIZONA, this book documents how authorities here let Tyson escape from prison after he succeeded in carrying out a contract on another inmate, Tony Sera, who was giving affidavits regarding the land fraud of Ned Warren. It is the thesis of this book that this contract was given by establishment attorney, Neal Roberts, who was described in the ARIZONA PROJECT as the murder broker in the Bolles killing.

According to intelligence sources of the Phoenix police, who prepared a background profile of Kemper Marley the week following The Bolles murder, Marley was at one time directly connected to the remnants of the old Al Capone mob, operating the TRANSAMERICA WIRE SERVICE. This betting service was originally established in 1941 for Capone's heirs by Gus Greenbaum. Greenbaum was a Phoenix socialite seen at all the society balls in Phoenix, usually in the company of the Barry Goldwaters and Harry Rosenzweigs. In 1958 Greenbaum and his wife were found dead in their bed, their throats cut. This inaugurated a series of grisly gangland-style slayings here.

When Marley died July 1990 his wealth was considered to be second only to Fife Symington who was a new comer to Arizona. Marley owned 5 square miles of Carefree, the highest priced real estate in Arizona. The smallest lot in this most exclusive township is zoned for one acre. By some coincidence the Tax Assessors made the same mistakes evaluating Marley's properties as he did on Charlie Keating's properties. This oversight was saving Marley a million dollars a year. Of course the official investigation showed no wrongdoing in either case.

For the last 40 years Marley bankrolled Harry Rosenzweig who doled out Marley's great wealth to a slate of Republican candidates who were almost universally successful in obtaining high political office. Marley was able to control the Democratic party as well. Every congressman and every senator in Arizona currently owes his position to the Marley machine. Dennis DeConcini was facing a tough reelection in 1990 seeing as how he was nailed creaming off a cool \$5 million with his family on a land deal dependent on the Senator's inside senatorial knowledge. The last thing in the world the Republicans wanted was to lose DeConcini's seniority. Before any other Republicans could announce the party hierarchy formally announced their support for the weakest candidate that one could imagine. Keith DeGreen had ties to the Republican party that were so weak he had not even voted in the last 2 election, and this was a senate race!

At one point Marley served as Chairman of the Board of the VALLEY NATIONAL BANK. When Bugsy Siegel, on instructions from Meyer Lansky, built the FLAMINGO CLUB, Las Vegas's first casino, the money was borrowed from the VALLEY NATIONAL BANK (VNB). Involvements in narcotics trafficking on the part of VNB are hinted in the ARIZONA PROJECT.

Al Lizanetz, who served as Kemper's public relations man for 20 years is one of the richest sources for background on the liquor magnate. The Bolles murder

was part of a package deal that was to include a hit on Lizanetz. According to Lizanetz, the Marley machine placed the highest priority on placing lawyers in all the key state and municipal positions. Former Attorney General Bob Corbin, who accepted a \$55,000 campaign contribution from Charles Keating in a race where he was unopposed, worked for Marley in the insurance industry in the 50s.

Marley placed his people in the top positions of the Department of Public Safety. The county prosecutor was also key to him. Lizanetz claims that Marley recruited Eugene Pullium to come to Phoenix to start the ARIZONA REPUBLIC/PHOENIX GAZZETTE, the monopoly newspaper here which has succeeded in covering up these matters. Pullium then started the PHOENIX 40 a group of the largest business interests who virtually run the state. Eugene Pullium is the grandfather of Dan Quayle. Dan Quayle grew up in Paradise Valley next door to Robert Welsh, the founder of the JOHN BIRCH SOCIETY. The ARIZONA REPUBLIC/PHOENIX together with the INDIANAPOLIS STAR are reported to be worth \$5 billion.

Marley's mentor was Sam Braufman, the progenitor of the SEAGRAMS empire. When Braufman visited Marley in Arizona he came in the company of Al Capone. Lizanetz claims that Jack Ruby, assassin of Lee Harvey Oswald, was also on the Braufman payroll.

Perhaps by now readers are beginning to understand how a phenomena like Charles Keating could arise in such a climate. I don't need to mention how lavishly Keating paid off the local politicians here. DeConcini \$72,000. McCain \$112,000. A shopping center deal with McCain's wife that netted almost a half million in 6 months. A \$200 million dollar unsecured load to DeConcini's campaign manager, Ron Ober. This only scratches the surface. All cannot be told is so short an article. With this as background let me now provide some detail.

There is a certain law firm which includes as principals two former Arizona U.S. Attorneys, Melvin McDonald and Mike Hawkins. One man was appointed by Democrats and the other by Republicans giving them a lock on political leverage here. Like Robert Peloquin, former head of the Organized Crime Strike Force of the Justice Department they learned that they could make 20 times as much money working for the criminals. Melvin McDonald was the chief council for Charles Keating. When ever anything of particularly bad odor needs to happen one of these slimebags is called in.

A case in point was the scandal surrounding the sale of the BIG BOQUES RANCH to the Navajo nation. This matter was so stinky it called for the diligence of both Mike Hawkins and Melvin McDonald. It so happened that back in Washington D.C. Dennis DeConcini and John McCain were getting heat from their colleagues about all the swindles of the Indian lands. As a matter of fact McCain and DeConcini were leading the charge of the swindlers. Keating's acquisition of his Estrella

property in a round about way involved a swindle of Indian lands.

The definition of a politician: Anyone who, when they are being tarred and feathered and ridden out of town on a rail can make it appear as if they are leading a parade. In true fashion, McCain and DeConcini, got themselves appointed co-chairman of a senate investigative committee to delve into these crimes against the Indians. Enter McDonald and Hawkins. The big Boq ranch was purchased in the mourning by developers Bud Brown and his partner for \$19 million and sold that afternoon for \$27 million to Peter McDonald (no relation to Melvin) on behalf of the Navajo nation. Bud Brown and his partner made a quick \$8 million. In order to explore this corruption, McCain and DeConcini granted immunity to Bud Brown and his partner so that they could give testimony about the \$10,000 and the BMW that gave as a bribe to the corrupt Indian chief. Meanwhile the ARIZONA REPUBLIC repeatedly hammered the Indian chief day after day while not mentioning Bud Brown. The Pulitzer Prize winning journalist, Tom Fitzpatrick, in a Feb. 15, 1989 NEW TIMES article called this "the best real estate deal between white men and red men since the purchase of Manhattan."

Another example is the Bartel Cocaine case. Dr. William Bartel was caught with 81 pounds of cocaine after police observed him meeting with Stan Akers, Jr., a notorious cocaine broker here. Akers was the son of the former Arizona Speaker of the House of Representatives. As an example of how the narcotics industry is politically protected Akers was convicted of possession of 6 pounds of cocaine and sentenced to 5 years in prison. After being sentenced, Akers told the D.A. he would testify about an unsolved drug murder of Greg Case which he had witnessed. On Akers' testimony Paul Brookover was sent to prison and Akers walked free. Knowledgeable people close to this case believe Akers ordered the hit.

The police found \$3 million in bonds in the safe deposit box of Dr. Bartel. Bartel's father-in-law, Al Burke, came forward to claim that the \$3 million was his and that his son-in-law was only keeping it safe for him. Naturally Burke retained former U.S. Attorney, Mike Hawkins to represent him in this matter and in a few days the U.S. Attorney's office "returned" the bonds. Anyone having to establish their financial affairs for the IRS over a 20 year period knows that this can not be done in a few days.

I spoke with Jim Lacey, Assistant U.S. Attorney responsible for all prosecutions of large narcotics cases in Arizona. He admitted the irregularities of the AMERICA WEST pilots case and the \$300 million dollars LAGUANA ARMY AIR FORCE BASE cocaine incident. He expressed his regret that the statute of limitations had run out. Checking the dates I find that there is still 8 weeks before these cases are dead. If the U.S. Attorney's office will not respond I propose forming a Citizen's Investigative Committee.

## More On The Death Of The Kemper Marley Machine In Arizona

I expected the sky to fall after my July article linking the activities of Charles Keating and General Singlaub. Nothing happened. The reaction to my September article exposing Terry Burke, former top DEA in Arizona as a possible key element in the illegal narcotics network in Arizona, however, was immediate and unmistakable. Within days of my FAXing this story I was served with a court summons, a nasty death threat was left on my answering machine and my offices were entered, my files, book cases and furniture dumped and overturned.

The last few days there has been a 6 foot 6 inch Latino following myself and an associate. He makes the top hit man for the Medellin cartel look like a sissy. Since Terry Burke, the former CIA station chief in Laos who administered the Phoenix Assassination Program has been closely associated with Theodore Shackley since 1962, this revelation coming in the wake of the unsolved Buddhist murders must have sent shock waves far and wide. Ted Shackley was George Bush's number 2 man at CIA when Bush was CIA Director. Among those in the know, Ted Shackley and an operative named Richard Armitage are the weakest points in the armor of George Bush and the New World Order.

More significantly, I am tempted to speculate that this revelation, coupled with my suggestion of a probable heroin connection to the military style execution of the 9 Buddhist monks, lead to the panic arrest of five innocent Tucson kids for the murder of the monks. Supposedly, on the basis of a tip received Sept. 3 from a patient in a mental hospital, the deputies of Maricopa County Sheriff, Tom Agnos, arrested and charged four Hispanic and one black youth, all selected from the poorest neighborhoods of Tucson. It was apparent from the start that this action was bogus.

First, law enforcement alleged that these youths stole a late model Bronco and a Blazer that were seen at the Temple the day of the crime. These vehicles were never reported stolen! Where are these vehicles today? If these kids were in fact criminal elements, wouldn't they have driven these four wheeled all terrain vehicles across the border to Mexico where they would have been worth more than in the U.S.? They could have made a quick \$15,000 doing this. I visited the Temple. It is more than obvious that there was nothing of value there.

Rapidly the case against the kids began disintegrating. One suspect was working at a dog track during the murders and was video taped performing his duties. He had to be released. It soon became clear that there was no physical evidence linking the youths to the crime only their confessions, confessions that the Dean of the Law School at ASU says can not be used in court because they were so obviously coerced. It turns out that the deputies worked on the youths for 12 hours in separate rooms with no windows, no food or water, in the midst of serious threats.

One youth was told that he would be "found in a lake with an anchor wrapped around his neck if he did not cooperate". This process took place not at police headquarters but in separate rooms of a hotel. The attorney for Dante Parker,

said to be the ringleader, has submitted a list of 25 witnesses that say the suspect never left Tucson the night in question.

The Thai ambassador "just happened to be in Phoenix" for the arrests. During one short sound byte he repeated three times that his being in Phoenix was just coincidence. His praise for Arizona law enforcement sounded a bit too lavish for the circumstances. All readers can be assured that the smiling Thai ambassador is no stranger to the politics of heroin in Southeast Asia. Equally as disingenuous was the statement of the Sheriff that there was no racism involved in the crime, (but only in the selection process of the scapegoats.)

When Lt. Col. James Bo Gritz returned to the Golden Triangle of Burma in 1987 to video tape the drug overlord, General Khun Sa, naming the names of the U.S. officials who were the general's largest customers for heroin, he was startled to find that a two lane highway had been constructed in the 5 months since he was last there. This highway, which went right to the general's front door, was built by the Thai government using Rome plows left over from the Vietnam war. Coming out, as the Colonel went in, were 10 ton trucks, covered and loaded, with the Thai Army insignia on the side. There is only one product that comes out of the Golden Triangle, heroin! It is a certainty that the smiling Thai ambassador has an accounting of every truck.

The importance of the discovery of this heroin highway lies in the fact that what had trickled out on the backs of horses and mules now flows out in 10 ton trucks. This highway, which is easily verifiable with satellite imaging, is to this day denied by our government. When Col. Gritz's team lead Tom Jerrills of CBS 20/20 in to meet with Khun Sa, none of the trucks seen in the Colonel's video tapes were seen by American viewers. There was even phony footage of Jarrells riding on a mule and no shot of the Toyota pick-up that actually carried him there.

It so happens that the people associated with the Temple think there was a narcotics connection. Fong Miller lost both her mother and daughter in the massacre. When I told her that I thought the Phoenix/Bangkok heroin connection factored into the slayings, her words were, "That is what we think also." Absolutely no speculation to this effect has surfaced in newspapers here.

Last year Phoenicians were shocked to find that the state government had committed to a \$30 million toxic waste incinerator which was well under construction by the time anyone learned of it. The selected management company, ENSCO, had an abysmal safety record everywhere they had existed.

In order to satisfy the public hearing requirement, a remote hearing site located 40 miles outside Phoenix was selected. The deputies of Tom Agnos were issued stun guns and pictures of GREENPEACE toxics expert, Brad Angel, and instructed to respond with "maximum force" to "environmental terrorism".

In order to further stifle public outcry, the high school auditorium was partitioned so that only 25% was usable. Frictions developed when most of the 400 people who showed up were told to go home there was not enough room for them. TV viewers that night were horrified at the spectacle of a 65 year old lady being repeatedly zapped by the deputies with the stun guns. She was not even one of the environmentalists. This incident coupled with the arrests of the innocent Tucson kids would insure a speedy trip down the toilet for Agnos and his top confederates in any other municipality in the nation.

The previous sheriff distinguished himself by placing an ad in the classified section of the ARIZONA REPUBLIC for truck drivers, then busting two respondents for trucking cargo arranged by the sheriff. He also had one of his informers fly a plane load of marijuana in from Mexico so that he could have members of the press available at the landing site to witness the arrest of those meeting the plane. He survived both incidents. Hopefully Agnos will not be as lucky.

The reader is probably asking how could such things happen. For the answer to this we must do what Col. Fletcher Prouty advises, "Go back and examine the beginnings." Arizona is Kemper Marley territory. Kemper Marley was the big man in Arizona.

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available to anyone interested in the motive for this crime. Exhibits in this case allege that Bolles, who was visibly living beyond his means, was wheeling and dealing with the gangsters. Today the EMPRISE CORPORATION continues to flourish in Arizona under the name DELAWARE NORTH. John McCain has been observed visiting the principals.

A good companion reader to the ARIZONA PROJECT is THE LAST RAMPAGE OF GARY TYSON. Written by a journalism professor from the UNIVERSITY OF ARIZONA, this book documents how top authorities in Arizona let Gary Tyson escape from prison after he succeeded in carrying out a contract hit on another inmate, Tony Sera. Sera was giving affidavits regarding the land fraud of Ned Warren. It is the thesis of this book that this contract was given by establishment attorney, Neal Roberts, who was described in the ARIZONA PROJECT as the murder broker in the Bolles killing.

According to intelligence sources of the Phoenix police, who prepared a background profile of Kemper Marley the week following the Bolles murder, Marley was at one time directly connected to the remnants of the old Al Capone mob, operating the TRANSAMERICA WIRE SERVICE. This betting service was originally established in 1941 for Capone's heirs by Gus Greenbaum. Greenbaum was a Phoenix socialite seen at all the society balls in Phoenix, usually in the company of the Barry Goldwaters and Harry Rosenzweigs. In 1958 Greenbaum and his wife were found dead in their bed, their throats cut. This inaugurated a series of grisly gangland-style slayings.

When Marley died, July 1990, he owned 5 square miles of Carefree, the highest priced real estate in Arizona. The smallest lot in this most-exclusive township is zoned for one acre. By some coincidence the Tax Assessors made the same mistake evaluating Marley's properties as he did on Charlie Keating's properties. This oversight was saving Marley a million dollars a year. Of course the official investigation showed no wrongdoing in either case.

For the last 40 years Marley bankrolled Harry Rosenzweig who doled out Marley's great wealth to a slate of Republican candidates who were almost universally successful in obtaining high political office. Marley was able to control the Democratic party as well. Every congressman and every senator in Arizona currently owes his position to the Marley machine.

Dennis DeConcini was facing a tough reelection in 1990, seeing as how he was nailed creaming off a cool \$5 million with his family on an Arizona land deal dependent on the Senator's inside senatorial knowledge. The last thing in the world the Republicans wanted was to loose DeConcini's seniority. Before any other Republicans could announce, the party hierarchy formally announced their support for the weakest candidate that one could imagine. The opponent, Keith DeGreen, had ties to the Republican Party that were so weak he had not even voted in the last 2 elections.

At one point Marley served as Chairman of the Board of the VALLEY NATIONAL BANK. When Bugsy Siegel, on instructions from Meyer Lansky, built the FLAMINGO CLUB, Las Vegas's first casino, the money was borrowed from the VALLEY NATIONAL BANK. Involvements in narcotics trafficking on the part of VALLEY NATIONAL BANK are hinted in the ARIZONA PROJECT.

Al Lizanetz, who served as Kemper's public relations man for 25 years, is one of the richest sources for background on the liquor magnate. The Bolles murder was part of a package deal that was to include a hit on Lizanetz. According to Lizanetz, the Marley machine placed the highest priority on placing lawyers in all the key state and municipal positions. Former Attorney General Bob Corbin, who accepted a \$55,000 campaign contribution from Charles Keating in a race where he was unopposed, worked for Marley (in the insurance industry) in the 50s as did the preceding 2 AGs.

Marley placed his people in the top positions of the Department of Public Safety. The county prosecutor was also key to him. Lizanetz claims that Marley recruited Eugene Pullium to come to Phoenix to start the ARIZONA REPUBLIC/PHOENIX GAZETTE, the monopoly newspaper here which has succeeded in covering up these matters. Pullium then started the PHOENIX 40 a group of the largest business interests who virtually run the state. Eugene Pullium is the grandfather of Dan Quayle. The ARIZONA REPUBLIC/PHOENIX GAZETTE together with the INDIANAPOLIS STAR are reported to be worth \$5 billion. Lizanetz claims that Ned Warren, responsible for half a billion dollars of land fraud in Arizona, was another agent of Kemper Marley.

Marley's mentor was Sam Bronfman, the progenitor of the SEAGRAMS empire. When Bronfman visited Marley in Arizona he came in the company of Al Capone. Lizanetz claims that Jack Ruby, assassin of Lee Harvey Oswald, was also on the Bronfman payroll.

Perhaps by now readers are beginning to understand how a phenomena like Charles Keating could arise in such a political climate. It is not necessary to mention how lavishly Keating paid off the local politicians. DeConcini \$72,000, McCain \$112,000, a shopping center deal with McCain's wife that netted almost a half million in 6 months, a \$200 million dollar unsecured loan to DeConcini's campaign manager, Ron Ober. This only scratches the surface. All cannot be told in so short an article. With this background let us examine more in more detail.

There is a certain law firm in Phoenix which includes as principals two former Arizona U.S. Attorneys, Melvin McDonald and Mike Hawkins. One was appointed by Democrats and the other by Republicans, giving them a lock on political leverage here. Like Robert Peloquin, former head of the Organized Crime Strike Force of the Justice Department, they learned quickly that they could make 20 times as much money working for the criminals. Melvin McDonald was chief council for Charles Keating. Whenever anything of particularly bad odor needed to happen in Arizona one of these slimebags was called in.

A case in point was the scandal surrounding the sale of the BIG BOQUEUS RANCH to the Navajo nation. This matter was so stinky it called for the diligence of Mike Hawkins and Melvin McDonald. It so happened that back in Washington D.C. Dennis DeConcini and John McCain were getting heat from their colleagues about all the swindles of the Indian lands. As a matter of fact McCain and DeConcini were leading the charge of these swindlers. Keating's acquisition of his Estrella property, in a round about way, involved a swindle of Indian lands.

The definition of a politician: Anyone, who, when being tarred and feathered and ridden out of town on a rail can make it appear as if they are leading a parade. In true fashion, McCain and DeConcini, got themselves appointed co-chairman of a senate investigative committee to delve into these crimes against the Indians. Enter McDonald and Hawkins.

The BIG BOQUEUS RANCH was purchased in the mourning by developers Bud Brown and his partner for \$19 million and sold that afternoon for \$27 million to Tribal Chief Peter McDonald (no relation) on behalf of the Navajo nation. Bud Brown and his partner made a quick \$8 million. In order to explore this corruption, McCain and DeConcini granted immunity to Bud Brown and his partner so that they could give testimony about the \$10,000 and the BMW that they gave as a bribe to the corrupt Indian chief. Meanwhile the ARIZONA REPUBLIC repeatedly hammered the Indian chief day after day while not mentioning Bud Brown. The Indian chief was removed from office. The Pulitzer Prize winning journalist, Tom Fitzpatrick, in a Feb. 15, 1989 NEW TIMES article called this "the best real estate deal between white men and red men since the purchase of Manhattan."

Another example is the Bartel Cocaine case. Dr. William Bartel was caught with 81 pounds of cocaine after police observed him meeting with Stan Akers, Jr., a notorious cocaine broker. Akers was the son of the former Arizona Speaker of the House of Representatives. Here is an example of how the narcotics industry is politically protected in Arizona. Akers was previously convicted of possession of 6 pounds of cocaine and sentenced to 5 years in prison. After being sentenced, Akers told the D.A. he would testify about the unsolved drug murder of Greg Case which he had witnessed. On Akers' testimony Paul Brookover was sent to prison and Akers walked free. Knowledgeable people close to this case believe Akers ordered the hit.

The police found \$3 million in bonds in the safe deposit box of Dr. Bartel. Bartel's father-in-law, Al Burke, came forward to claim that the \$3 million was his and that his son-in-law was only keeping it safe for him. Naturally Burke retained former U.S. Attorney, Mike Hawkins, to represent him in this matter and in a few days the U.S. Attorney's office "returned" the bonds. Anyone having to establish their financial affairs for the IRS over a 20 year period knows that this can not be done in a few days.

Like the saber toothed tiger, the Kemper Marley machine will die of its own success. Having harnessed all of society's watch dogs on its tightly held leash there remains no restraint upon the unbounded greed of its members. Eventually it will be beyond the powers of the ARIZONA REPUBLIC to keep matters covered up. The largess of Charles Keating pushed greed past the point of no return. This accelerating stealing contest can have only one conclusion. Some day soon the voters of Arizona will take possession of the government here. They came very close to doing this with Governor Ev Mecham.

For the documentation upon which this article relies send a \$10 check or money order payable to INTELLIGENCE CONNECTION, 6950 East Continental, Scottsdale, Arizona 85257.

# Murder in the Martinsburg Sheraton?

By Joel Bleifuss

From "The First Stone" Column of the Week  
September 4 through 10, 1991 Issue of "In These Times"

For more than a year, Danny Casolaro, a Washington D.C.-based freelance investigator, had been sifting through a web of intrigue: the S&L debacle, BCCI, Iran-Contra, the contra-connected Wackenhut Corp., the Wackenhut-connected INSLAW case, and the INSLAW-connected "October Surprise."

According to one of his close friends, who asked not to be named, Casolaro began receiving death threats eight or nine months ago. "Brother, just make it quick," Casolaro is reported to have told one of these midnight callers. The last threat came on Monday, August 5, according to his brother, Anthony.

How quick death came we may never know. On Saturday, August 10, Casolaro was found dead in Room 517 of the Martinsburg, W. Va., Sheraton. His body was discovered with 12 incisions in his arms in a bathtub of bloody water 17 hours after he had called his mother's house at 6 p.m. Friday to say he was heading home but that he would not make it to his niece's birthday party. On the following Monday Martinsburg authorities notified the family of Casolaro's death, but by then the body had been embalmed and the motel room had been sanitized by a cleaning contractor. Officials are calling the incident an "unattended death" while they continue their investigation. Family and friends say that suicide is out of the question. They maintain that Casolaro was not a depressive type, and that while he did have financial problems, he did not dwell on them.

According to family and friends, before leaving for Martinsburg, Casolaro had been ecstatic. The pieces of the puzzle were finally fitting together. He had told them he was going to West Virginia to meet a source who was to help him nail down a last piece of evidence in his investigation into the INSLAW software-theft case.

Those close to Casolaro want many questions answered. Where is his ever-present briefcase? It was not in motel room. Where is his tape deck? It is missing. Where were his notes and the outline of his proposed book, "Behold a Pale Horse," which he had shown to friends days before his death? The documents were not to found in the Sheraton motel room or in the four boxes of his papers that the family turned over to ABC News. Why did authorities wait so long to notify the family of his death? His driver's license said he lived in Falls Church, Va., and all the Casolaros listed in the 703 area code are his relatives. Why was his body embalmed before the family was notified? West Virginia law requires family approval prior to embalming. Who was the man who telephoned Casolaro's house on Saturday evening? When a housekeeper picked up the phone, a voice said, "You're dead, you bastard."

**MOTIVE FOR MURDER?** What was Casolaro investigating that could have put his life in such danger? David MacMichael is a former CIA analyst who now directs the Washington offices of the Association of National Security Alumni, a watchdog group. MacMichael had talked to Casolaro on the phone on Thursday, the day he left for Martinsburg. Casolaro had made an appointment to meet with him.

Says MacMichael, "Providing the death was not a suicide, one can examine three scenarios." First, Casolaro was developing a theory that a group of former intelligence officers were members of a for-profit cabal that Casolaro called "The Octopus." According to his theory, over the past 25 years The Octopus had its tentacles in a number of international scandals. MacMichael doesn't think such a far-fetched-sounding theory would get Casolaro killed. "If you published their names, pictures and documents, what kind of book would you have?" asks MacMichael. It would be dismissed, according to MacMichael, like "a UFO crank book."

Second, Casolaro was looking into the October Surprise, the alleged deal between the 1980 Reagan presidential campaign and Iranians. That his death would be connected to this investigation is "nonsense" says MacMichael, who explains that many journalists are now investigating the 1980 deal, making it unlikely that Casolaro had information significant enough to endanger his life.

Which leads to the third scenario, that Casolaro was on his way to collect the final evidence needed to wrap up his investigation of a scandal that, as MacMichael put it, involves "real crimes, real people and real money"—the INSLAW case. (See "In These Times," May 29 ["Software Pirates" posted on-line previously].)

**INSLAW MEETS THE LAW:** For eight years, INSLAW Inc., has been battling the Justice Department for possession of PROMIS, an innovative case-management software program developed by company

owner Bill Hamilton. In 1986 INSLAW filed suit against the department in federal court, claiming the department had stolen the program.

In September 1987, Judge George Bason, the federal bankruptcy judge from Washington, D.C., ruled, "The Department of Justice took, converted, stole INSLAW's enhanced PROMIS by trickery, fraud and deceit." He also charged, "The failure even to begin to investigate [these charges] is outrageous and indefensible and constitutes an institutional decision by the Department of Justice at the highest level simply to ignore charges of impropriety."

The Justice Department appealed the ruling, and in November 1989, Judge William B. Bryant of the U.S. District Court in Washington affirmed the lower court's decision. He ruled, "The government acted willfully and fraudulently to obtain property that it was not entitled to under contract. The Justice Department then appealed Bryant's ruling to the U.S. Circuit Court of Appeals in Washington, D.C. On May 7 that court overturned the previous court decisions, saying the federal bankruptcy court lacked jurisdiction to hear the case. However, the Court of Appeals left the findings of fact undisturbed."

Earlier this year, the case took a new twist. INSLAW went public with allegations that the Reagan Justice Department, after it had stolen the PROMIS software, turned it over to Bari Brian, a friend of both former President Ronald Reagan and former Attorney General Edwin Meese. In 1974, Brian left then-California Gov. Reagan's cabinet.

INSLAW alleges that its software was given to Brian as a payback for Brian's help in arranging the arms-and-hostages deal between the 1980 Reagan-Bush campaign and representatives of the Ayatollah Ruhollah Khomeini (see "In These Times," July 24, 1987, Oct. 12, 1988, and April 27, 1991). According to INSLAW owner Bill Hamilton, Brian, who runs United Press International, allegedly then marketed PROMIS to the intelligence agencies of Israel, Jordan, Iraq, Canada, South Korea, Libya, Great Britain, Germany, France, Australia, Thailand, Japan, Chile, Guatemala and Brazil. According to INSLAW's scenario, once the software was in use by foreign intelligence services, the U.S. National Security Agency would then be able to infiltrate the computerized intelligence files of these countries. Modifications on the pirated software were allegedly carried out by the Wackenhut Corp. of Coral Gables, Fla.

**WHERE IS JUSTICE?:** INSLAW's attorney, Elliot Richardson, the Nixon attorney general who resigned rather than participate in the Watergate cover-up, has long asked for the appointment of a special prosecutor to investigate the Justice Department's handling of the case. But to no avail.

The House Judiciary Committee has been investigating the scandal since August 1989. After months of foot-dragging, Attorney General Richard Thornburgh, under subpoena by the committee, finally released INSLAW-related files. However, according to a source in the House, 15 to 20 files are missing.

"Washington Post" columnist Mary McGrory is one of the few mainstream journalists to give the INSLAW case serious attention. She wrote on August 18, "The man who could have resolved the INSLAW case, Dick Thornburgh, resigned as attorney general on the day the West Virginia police came forward with their autopsy [on Casolaro]. Excess was the hallmark of the Thornburgh's farewell ceremony: an honor guard, a trooping of the colors, superlatives form subordinates. William P. Barr, his deputy and possible successor, spoke of Thornburgh's 'leadership, integrity, professionalism and fairness'—none of which Thornburgh displayed in his handling of INSLAW. What was merely sinister has now turned deadly. Thornburgh calls INSLAW 'a little contract dispute' and refused to testify about it to the House Judiciary Committee. Richardson thinks it could be 'dirtier than Watergate,' and, as a victim of the scandal, he should know. Thornburgh's conduct is the most powerful reason for believing that Danny Casolaro really saw an octopus before he died."

And in the wake of Casolaro's death, Richardson has repeated his call for a special prosecutor. He told the Boston Globe's John Aloysius Farrell, "It's hard to come up with any reason for his death other than he was deliberately murdered because he was close to uncovering sinister elements in what he called 'The Octopus.' This simply strengthens the case for an in-depth, hard-hitting, thorough investigation."

As for former Attorney General Thornburgh, he is now running for the Senate in Pennsylvania. If Justice is served, perhaps he will also run for cover.

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Nichols had just  
Casolaro. Casolaro told  
S/A Gates that Robert  
Nichols had said to him  
(Casolaro), "if you  
continue this invest-  
igation, you will die."

INVESTIGATIVE REPORTER DANNY CASO-  
LARO COULDN'T LET GO OF A BIG, DARK,  
TWISTED STORY INVOLVING THE CIA AND  
THE MOB. WHEN THE POLICE FOUND HIM  
DEAD, HIS WRISTS SLIT, THEY FIGURED HE'D  
KILLED HIMSELF. IT SEEMS THEY WERE  
WRONG. HE HAD SIMPLY LEARNED TOO  
MUCH ABOUT SOME DANGEROUS PEOPLE.  
IT NOW SEEMS DANNY CASOLARO WAS...

**DEAD  
RIGHT**

I

WAS A PLANT AS I WAS IN THE afternoon of August 25, 1982, at Burbank, California. I was in the lounge of the Stratford Inn in Burbank, West Virginia. I had just finished my dinner and was sitting at a table with my friend, a woman named Barbara. She was a teacher and I was a student. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation. I was in Burbank, West Virginia, and I was at the Stratford Inn. I was sitting at a table and I was talking to Barbara. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation. I was in Burbank, West Virginia, and I was at the Stratford Inn. I was sitting at a table and I was talking to Barbara. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation.

It was a very nice meal and we were both enjoying it. I was a bit nervous, but Barbara was very friendly and we had a good conversation. I was in Burbank, West Virginia, and I was at the Stratford Inn. I was sitting at a table and I was talking to Barbara. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation. I was in Burbank, West Virginia, and I was at the Stratford Inn. I was sitting at a table and I was talking to Barbara. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation. I was in Burbank, West Virginia, and I was at the Stratford Inn. I was sitting at a table and I was talking to Barbara. We were both looking at the menu and talking about the food. I was a bit nervous, but Barbara was very friendly and we had a good conversation.



# "It looked like somebody threw the towels on the floor to wipe the blood up"

hinges. When they lifted Casolaro's body from the tub, they saw that an Old Milwaukee beer can, a paper coaster and a razor blade had been under the body. After draining the tub and examining the body, Sandra Brining, a nurse who serves as the Berkeley County coroner, declared the cause of death blood loss from multiple self-inflicted wounds. Around 4:00 p.m. she released the body to Brown's, a local mortuary.

So sure was everyone that Casolaro had killed himself that that very night, even before his family was notified of his death, Charles Brown, the undertaker, embalmed the body. Brown would later give the most ordinary of reasons for doing so—"I didn't want to come back to work on Sunday"—though embalming a body without the permission of the next of kin is illegal in West Virginia. Had Brown or the authorities spoken to Casolaro's brother Tony, they surely would have proceeded more carefully. Tony would have undoubtedly mentioned what Danny had said to him just a few days before: "I have been getting some very threatening phone calls. If anything happens to me, don't believe it was accidental."

Tony wasn't the only person Danny had told that he might be in danger; he'd also told Thomas Gates, a special agent of the FBI. A mysterious character named Robert Booth Nichols had become one of Danny's sources. Nichols, who is now 49 and lives in L.A., has, as federal authorities have put it, "no visible means of income to support his rather lavish life-style." He calls himself an entrepreneur and says he has been involved with the CIA in various intelligence operations; he has even appeared in and acted as a technical adviser on *Under Siege*, the film starring his friend Steven Seagal. Law-enforcement officials know Nichols, though, as an international money launderer and an associate of the Gambino organized-crime family.

As Casolaro worked on his Octopus story, he came to rely increasingly on Nichols as a source, and as a friend. But in July 1991, after Nichols visited him in Washington, D.C., Danny began to suspect that Nichols was far more sinister than he'd imagined, and began to investigate his activities. Three days before he died, he called Gates, who works in the bureau's L.A. office. As Gates has testified before the House Judiciary Committee, Casolaro told him that Nichols had warned Danny, "If you continue this investigation, you will die." Other publications, notably *Vanity Fair*, have wondered whether Casolaro committed suicide; none has had the

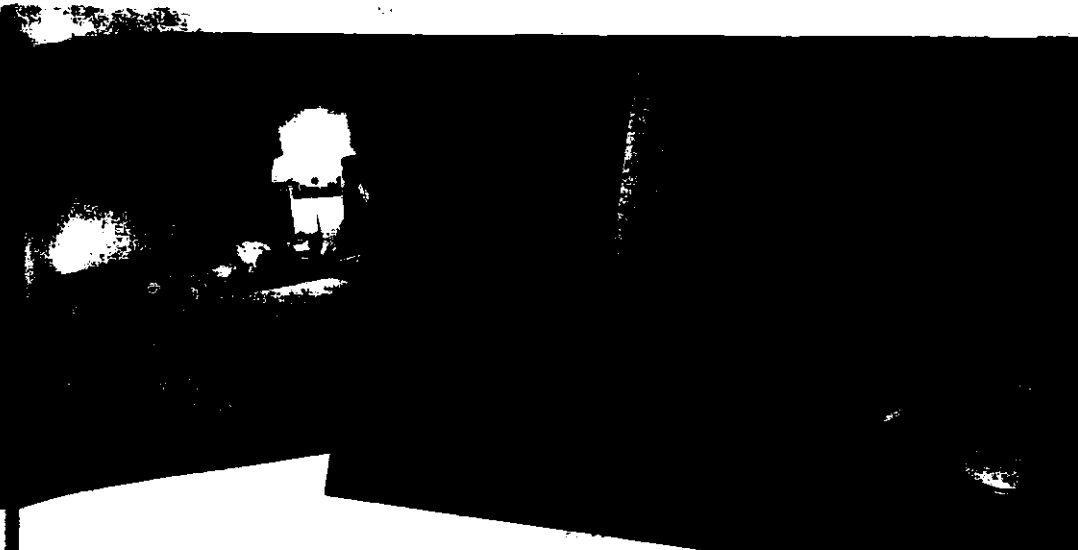
benefit of the evidence we've been able to amass. SPY has discovered that on July 31—ten days before he died, six days before he had a 64-minute phone conversation with Nichols, seven days before he spoke to Agent Gates—Danny Casolaro learned a terrible secret of Robert Booth Nichols's, a secret that, if revealed, could cost Nichols his life, a secret that Casolaro might well have told Nichols he knew.

**D**ANNY CASOLARO WAS BORN ON JUNE 16, 1947, the first of six children. His father was a prominent obstetrician in McLean, Virginia. Along with prosperity, however, the Casolaros endured a large share of grief. One child was born with a heart defect and lived only briefly, and the eldest sister, Lisa, died of a drug overdose, an apparent suicide.

When he was 20, Casolaro dropped out of Providence College and went to Ecuador for six months to look for Incan treasure. When he came back, he fell in love with a married woman, Terrill Pace. They eventually married and had a son; after 13 years, they would divorce. He went back to college but quit to become a stringer for the *National Enquirer* and later a reporter for the trade magazine *Computer Age*. His friends all speak well of him. They say he was one of the sweetest and most tolerant people they ever met; that he never seemed to care about money; that he was a dreamer. He had many friends of both sexes but was especially close to women. Gabrielle Mirov, a onetime lover and longtime friend—one of at least five former lovers whom he visited frequently and spoke with on an almost daily basis—expressed the feelings of many people when she said, "Danny was always there for me; he was my best friend." There was a Peter Pan-ishness about him. His friend Larry Stitch, a retired attorney, says, "Although Danny was nobody's fool, he had a tendency to trust everyone."

But if he was Peter Pan, he was Peter Pan with an obsessive streak. In the late 1970s he worked for almost two years on an alternative explanation for Watergate. He spent a year on a novel he ended up publishing with a vanity house. He worked hard at staying fit but also smoked too much, occasionally drank too much and certainly pursued women too much.

He also worked hard at his job. *Computer Age* was a daily newsletter, and for ten years Casolaro was its only reporter, and effectively ran the thing. In 1989 he took a second mortgage on his house in Fairfax, Virginia, and



**SCENE OF THE CRIME**  
**Left, Room 517 of**  
**the Martinsburg,**  
**Virginia, Sheraton Inn,**  
**where Casolaro spent**  
**his last night**

bought *Computer Age*. But a year later, pressed by the IRS for back taxes incurred under the previous owner, he sold the company at a loss. He could have worked out a payment schedule, but by then he was already chasing the story of his life.

**I**N 1990, CASOLARO GOT A LEAD ON THE INSLAW-conspiracy story. Inslaw was a computer software firm formed in 1980 by William and Nancy Hamilton to supply a program they'd created called Promis to the Justice Department. The Hamiltons received tens of millions of dollars from the federal government to develop Promis, a system to help prosecutors across the country keep track of complex investigations. In what has become a highly publicized case, the Hamiltons allege that in 1983 a cabal of top Justice Department officials and friends of former attorney general Edwin Meese conspired to delay payments and drive them out of business to gain control of Promis for their own profit. (Meese denies all wrongdoing.) Indeed, Justice did stop paying the Hamiltons in 1983, claiming they weren't fulfilling their obligations, and eventually Inslaw did go bankrupt. In 1987 a federal judge ordered the government to pay Inslaw \$6.8 million; the order was later overturned on a technicality. Promis is widely used today, both in the U.S. and by foreign law-enforcement and intelligence agencies.

As the case became known, conspiracy theories about why Promis was stolen were floated. Among those claiming to have information was Michael Riconosciuto, a convicted drug dealer who had been on the periphery of many illegal and clandestine operations, who therefore knows many inside stories but also invents tales that have certain credible elements. Riconosciuto, an accomplished programmer, claims that Promis was stolen as a favor to software-company executive Earl Brian, a friend of Meese's, for Brian's help in persuading the Iranian government to hold on to the embassy hostages until the 1980 election was over. (Brian denies any involvement with Inslaw.)

Led down this rabbit hole by Riconosciuto (who loves

an audience), egged on by Bill Hamilton (who had millions at stake), Danny Casolaro pursued the story. In time it came to possess him. He worked on it 16 hours a day, staying on the phone past midnight, sleeping only 2 or 3 hours a night, talking with quasi-spooks and bona fide spies, chasing leads, always enlarging his vision of the Octopus. He stopped working out; the man who would boastfully do 50 push-ups with a cigarette in his mouth no longer could do even two. There was no question that he was onto some remarkable stories, including aspects of the BCCI scandal (long before the scandal became public, Casolaro was saying he was going to nail Clark Clifford), the takeover of the Cabazon Indian reservation by a former CIA operative [see *SPY*, "Badlands," April 1992], and the Wackenhut-CIA connection ["Inside the Shadow CIA," September 1992]. With less insistence on proving a monolithic conspiracy, he may well have pinned down those stories.

For a long time, Casolaro relied heavily on Riconosciuto, often accepting too much at face value. When Riconosciuto was arrested in March 1991 on drug charges, Casolaro flew to Seattle to serve as his volunteer pretrial investigator. In time, however, he became more skeptical, and within a few months he was refusing to accept Riconosciuto's collect calls from jail. But Casolaro had not abandoned his investigation. In August 1991 he told friends he was going to Martinsburg—where the IRS has its main national computer center—to meet sources.

**T**HE BEST REASONS TO BELIEVE DANNY Casolaro committed suicide are the obvious ones: His corpse was found; the wounds appeared to be self-inflicted; there was a note. That evidence was certainly sufficient to quell the curiosity of the authorities who found his body. Apart from what we know about his reporting, however, there are compelling reasons to doubt that he killed himself. Admittedly, it is hard for any of us to know what is in someone's heart, even those whom we know well. That said, however, nearly everyone who knew Casolaro was surprised to hear that he had committed suicide. Certainly he was not a depressive by nature, and no one who talked to him during the last days of his life regarded him as

# Casolaro seemed upbeat. The morning he left for Martinsburg, he paid his homeowner's insurance.

depressed then. His friend Doug Chisholm, whom he visited a few weeks before his death, says, "Danny was excited about his story and quite taken with the woman he'd brought to lunch." Danny spent the Sunday before he died with Danielle Stallings, a longtime friend and lover. "He was in a very upbeat mood," she told us. On Monday he spoke to his pal Art Winfield, who says he "was very excited about meeting a new source." The night before he left for Martinsburg, he visited his pal Larry Stitch, who says, "He was his usual upbeat and pleasant self." Indeed, he seemed to be a man who expected to live awhile. The morning he left, he stopped by his insurance agent's office and paid his homeowner's premium. He also called Stallings and asked her to arrange a meeting for when he got back. And in Martinsburg he indeed met with at least two sources, and perhaps a third; Charlotte and Ronnie DeHaven of Martinsburg told SPY they saw an alert-looking Casolaro waiting in his car in an out-of-the-way spot back behind the IRS building.

Other explanations for a suicide have been suggested—that he was lonely, or broke, or despondent over contracting multiple sclerosis, a potentially fatal disease. It's true he had no mate, but he seemed truly to prefer it that way. Moreover, he had a cozy circle of friends, stayed close to his family (once, speaking of his sister's death, he told Stallings, "I could never commit suicide after what Lisa's death did to my family") and had a good relationship with his 22-year-old son.

It's also true that he was having money problems. His investigation was costly, and he was facing a balloon payment on his mortgage. Still, the payment was three months off, and as Danny's ex-wife puts it, "The Casolaro children had been raised to believe that money was not a problem." Danny knew that at least two people stood ready to help him financially: his brother Tony, a well-to-do physician who had helped him before, and Stitch, a retired IBM attorney, who thought Danny was onto something important. When he visited Stitch the day before he left for Martinsburg, Stitch told him, "If push comes to shove, you can count on me financially." He replied, "I'm not there yet, but I may come back to you on that offer."

It's also true that Casolaro had M.S. (which is fatal in about 1 percent of cases), but this was not known to his friends and family until after the autopsy. He had occasionally suffered the symptoms of the disease, but he didn't seek treatment, at least not from his regular

doctor. He did have a general conversation about the disease with his lifelong friend Ann Marie Winfield, a nursing teacher, who told him that when the disease appears in someone Casolaro's age, it is less likely to be fatal. "I really didn't think Danny was terribly concerned," Winfield says.

Interestingly, Casolaro was posthumously evaluated by two psychiatrists. The Martinsburg police hired one who thought Casolaro capable of suicide based on his mortgage difficulties and the fact that his book proposal had received three rejections—demoralizing news, certainly, but hardly extraordinary to anyone familiar with publishing. A second profile was written a week after Casolaro's death by Louis J. Petrillo, a New York psychiatrist and Casolaro's cousin. He wrote the Martinsburg police to tell them, "Casolaro did not manifest any symptoms or character traits during the day immediately preceding his death, during the past twelve months or at any time in his personal history that could, in any way, be associated with a potential for suicide."

**F**OR TWO DAYS AFTER THE DISCOVERY OF HIS body, the Martinsburg police considered the Casolaro case to be an inconsequential matter. It wasn't until Monday, when the department received calls from Agent Gates, *The Washington Post* and CNBC, that they realized they had something stickier on their hands. Late on Monday—having wasted the 48-hour period after the discovery of the body that most homicide detectives regard as the most crucial in gathering evidence—they began their investigation.

It is almost an axiom among official agencies: First the screwup, then the cover-up. The authorities' initial acts—removing the door, draining the tub without straining the water to preserve evidence, not sealing the room as a crime scene—compromised the investigation from the start; so did the unauthorized embalming. Still, on January 25, 1992, five months after Casolaro died, the Martinsburg police, in conjunction with the West Virginia State Medical Examiner's Office, the Berkeley County Medical Examiner and the Berkeley County Prosecuting Attorney's Office, issued a press release reaffirming their original conclusion: Casolaro had killed himself.

Since issuing their report, the police have refused to say anything further about the case. SPY repeatedly called the chief of the department, as well as the county



**IN HAPPY DAYS** Left to right, Casolaro with brother John, wife, Terrill, and son, Troy, 1969; with Troy and mother, Frances, 1985; with Gabriella Miroy, 1990

prosecutor; neither would comment. All that speaks for the local investigation, then, is the police department's press release. It says that officials reaffirmed the original conclusion for several reasons. First, they somewhat tautologically cite the conclusion of the original autopsy that Casolaro had committed suicide and maintain that the embalming of the body in no way hampered the subsequent autopsy and toxicological studies. Second, neither the police nor the coroner were able to detect evidence of foul play. They found no signs of forced entry or a struggle. The room was neat, and neighbors had heard nothing. Third, they had the suicide note, and were convinced through handwriting analysis and fingerprints that Casolaro had written it.

Finally, they conclude that he'd brought the implements of his self-destruction with him. The razor blades are sold around where Casolaro lived but not near Martinsburg. The alcohol and trace amounts of a painkiller, oxycodone, that were found in his bloodstream seemed self-ingested. There was a half-empty bottle of Portuguese wine in the room, and Casolaro had more of it at home; the oxycodone could have come from Vicodin, a painkiller prescribed for him after dental surgery in 1987 and an empty vial of which was found in the room. The plastic bags in the tub were from a box of plastic bags that he had in his luggage, and the shoestrings may have been from a pair of laceless sneakers found in his home.

It's hard to argue with these conclusions based on the material the police have made public. However, the work of Martinsburg's *Finest* inspires little confidence. It's understandable that they treated the initial Casolaro investigation so lackadaisically—*Hey, it's hot, it's Saturday, it looks like the guy did himself, let's go home*—but you'd think the national press scrutiny in the aftermath of Casolaro's death would have inspired a little more conscientiousness, if only temporarily. It didn't. Twenty days after Casolaro's death, a Martinsburg man was found by the police with a .22 caliber bullet wound in

his left temple. His fiancée told them he had suddenly pulled out a gun and shot himself. Without conducting a simple and rather standard paraffin test on the girlfriend to detect gunpowder residue, the police ruled it a suicide. For some reason, they ignored the fact that the previous evening, officers had been summoned to the home by a call that shots had been fired. Nor did they question neighbors. If they had, they might have found—as I did when I talked to them—that the night before he died, the man told two people his girlfriend was after him with a gun.

Here, then, is what we've been able to discover. Most of our findings amount to highly anomalous facts and unanswered questions. But we also found relevant physical evidence that the police have simply ignored. Let's begin with the police department's proof.

First, on the matter of the integrity of the body after embalming, Dr. Michael Baden, a noted forensic pathologist, says the "embalming of the body makes the report fatally flawed." For example, he says, the measurements of alcohol in the bloodstream could have been affected by the embalming fluid.

Second, the police say they found no evidence that Casolaro had struggled against an attacker, yet they seem to have ignored two signs. According to the medical examiner, three fingernails on Casolaro's right hand appeared to have been chewed. None of his friends we've spoken to—a half dozen in all—knew him to be a nail-biter. Could fingernails broken in a fight, having been submerged for several hours in bathwater, give the appearance of being bitten? Additionally, no one looked under the nails for skin scrapings or blood. More important, the coroner found a bruise on the top of his head that probably would have induced "moderate hemorrhaging" under the skin. What collision might have caused this? The police do not mention the bruise in their statement.

The police further dismiss the possibility of a

# "This man cut really deeply, down to the tendons. That's significant. That's unusual."

struggle by pointing to the neatness of Casolaro's room as a sign that nothing happened there. But this neatness raises questions more than it settles them.

On Thursday, Danny met with a source. That day, he hit on a waitress in the restaurant where he had lunch, and later flirted with two other women in a bar. On Friday he met with Bill Turner, a former employee of Hughes Aircraft who was one of the sources he had gone to Martinsburg to see; Turner gave him a stack of documents. The two were supposed to have dinner, but Danny begged off, saying he had to meet a source. Later he ran into friends of his brother's, who were staying at the Sheraton; they say he seemed cheerful. These were the last known people to see him alive. Authorities say Danny died in the early-morning hours of Saturday. The distance between being hard at work and in a good mood to despondently scribbling a suicide note is a long one to travel in a few hours. But even if Casolaro had plunged into a fugue state overnight and before sunup killed himself, questions occur. Except for the bathroom, Room 517 was extremely neat. The place was picked up, the bed was crisply made and undisturbed, and Casolaro's pants were folded on the bed. But as his friends tell us, he was not an especially neat person. So we are asked to believe that a cheerful Danny went to meet a source, then either went somewhere else and got depressed or went back to his room and—without disturbing anything, but taking the time to uncharacteristically fold his pants—scribbled a desperate note and killed himself.

On the other hand, maybe there were other people in the room, and they tidied up.

The police seem to be on firm ground on the third element of their conclusion, the suicide note. Yet friends offer two observations: Its mention of God was very odd for someone unreligious, and the 19-word note was uncharacteristically succinct. Danny was a wordy fellow. The brevity of the note—like the bitten nails of a non-nail-biter, like the sudden swing into black depression of someone who had not much earlier been feeling fine—makes it seem as though Danny was highly agitated when he began writing, and was not composing his farewell calmly. This raises the possibility that the note was written under duress.

Finally, the local authorities make much of the fact that Casolaro had brought with him razor blades, shoestrings, wine and Vicodin (they say he bought the plastic bags in town). They say this indicates

premeditation on his part. Of course, that's at complete variance with everything we know about Casolaro's outward behavior during his final days.

Still, let's say that Casolaro was fooling everyone at the end—being sociable, paying his house insurance, hitting on women in a bar, all to hide his pain. Then we have to wonder what he was planning to do with these telling items. Perhaps the idea was to take the codeine and wine and drift away, possibly hastening death by tying the bags on his head. If so, then he prepared poorly. There was a very low level of oxycodone in his bloodstream—perhaps one or two tablets' worth, not enough to do himself in. But let's say that's the case, that he prepared poorly and did not feel himself growing drowsy and (not liking the feeling of the bag on his face, or perhaps never putting the bag on) decided to cut his wrists.

If he did so, he slashed himself with brutal ferocity. He was cut 12 times; the cuts on the right wrist extended to the tendons, and the cuts on the left *his* tendons. "I've never seen such deep incisions on a suicide," Martinsburg paramedic Don Shirley told SPY. "I don't know how he didn't pass out from the pain after the first two slashes." Agent Gates has testified that he asked a Martinsburg police captain how it happened: "The captain said, 'He hacked his wrists.' I said, 'What does that mean?' He said, 'The wrists were cut, but they were cut almost in a slashing or hacking motion.'" Dr. James Starrs of George Washington University reviewed the autopsy—which he on the whole found to be thorough—and said in an interview, "One thing that was surprising to me is that I didn't see any hesitation marks. In suicides, you tend to find hesitation marks. People generally don't know the amount of pain they can tolerate, so they will hesitate and take, literally, a little slice. This man really cut deeply...down to the tendons. That's significant. That's unusual." Unusual indeed. Both Danny's brother and his ex-wife told us that Danny had always been afraid of needles and blood.

It's worth noting that while plastic bags can be used in suicides, they also have a recognized place in torture and interrogation techniques. According to Lynn Nortage of Amnesty International, putting a bag over the head produces the same effect as repeatedly dunking the head underwater. Its great attraction, she says, is that it leaves no marks.

But along with their bungling of the evidence, the police leave some questions unanswered. Casolaro carried



**DANGEROUS FRIEND**  
The "lethal" Robert  
Booth Nichols, 1992.  
He had a secret  
Casolaro knew.

sink in Room 517.

*"It looked like  
someone threw the towels  
on the floor and tried to*

*wipe up the blood with their foot," she told us.*

Given that she'd spent seven years  
cleaning up bathrooms at the  
Martinsburg Sheraton, Barbara

Bittinger's opinion of what a floor looks

like when somebody has tried to wipe it up may be  
considered expert. It's inconceivable that Casolaro—  
painfully wounded and rapidly losing consciousness—  
would have wiped up the floor. But someone who did  
not want to leave footprints or fingerprints or his own  
bloodstains might have tried to clean up the scene.

As part of their investigation, the Martinsburg police  
asked Dr. Henry C. Lee of the Connecticut State Police  
Forensic Science Laboratory, a renowned blood-splatter  
expert, to examine the evidence. His conclusion, cited in  
the police press release, held that "none of the physical  
evidence found at the scene is inconsistent with that of a  
suicide." But when we talked to Dr. Lee, he told us he  
didn't recall seeing any smear marks or bloody towels in  
the photos supplied him. "A reconstruction is only as  
good as the information supplied by the police," he said.  
The Martinsburg police apparently didn't think the  
towels were worth treating as evidence.

We spoke to Ernie Harrison, who worked for a  
professional cleaning company called Le Scrub that the  
hotel hired to clean Room 517 after the police had  
finished their physical examination. "There were  
bloodstained towels on the bathroom floor that I picked  
up," he told us. After Harrison finished cleaning the  
room, he tossed the towels away.

**B**Y THE LATE SPRING OF 1991, ROBERT BOOTH  
Nichols had become one of Danny  
Casolaro's most important sources. They  
spoke frequently and at length, and it's not hard to see  
how Casolaro would come to depend, not only for  
information but in an emotional way, on someone who  
knew so much and with whom he could puzzle out the  
mysteries before him. "It is as though he considered him  
a friend and not just a source of information," says  
Wendy Weaver, one of Casolaro's ex-girlfriends.

They had a lot in common. Nichols's father, like  
Casolaro's, was a physician, and both sons grew up with  
privilege. Danny was a college dropout; Nichols got a  
degree through the mail. Both men liked the ladies. But  
Nichols was smooth and polished and exciting.

with him everywhere an accordion file full of notes and  
references. The police say nothing about its  
whereabouts, other than that they conducted a canine  
search along a one-mile stretch of highway near the  
hotel and didn't find it. Neither did they find anything  
resembling Bill Turner's stack of documents. Obviously,  
someone could have taken the papers away—it's possible  
to reach Room 517 from the parking lot, without going  
through a lobby.

Other friends—his female friends—point out  
something else unusual: Casolaro didn't like to be seen  
in the nude. "Danny never would have been caught  
naked by strangers," Terrill told us. Other lovers say that  
even after making love, he would cover himself with a  
towel to go to the bathroom. Danielle Stallings says that  
"on a few occasions at my pool, Danny would suggest we  
all sunbathe naked, but Danny's idea of being naked was  
for the women to be naked and Danny to be in the  
pool." Her comments echoed Terrill's. "Danny was not  
comfortable being naked," she said, and she thought it  
unusual that he would decide to go to his death that  
way.

Had police spoken to Casolaro's friends, they would  
have known about his upbeat mood, his feelings about  
nakedness, his propensity for untidiness, his  
squeamishness about blood, his wordiness, his  
attachment to his files, and much more. But the police  
didn't interview any of them. Had police spoken to his  
cousin, Dr. Petrillo, they would have learned something  
about his psychological profile. But even after Petrillo  
contacted the authorities, they didn't interview him.  
Had police spoken to FBI Agent Gates, they would have  
known that Casolaro felt he was in mortal danger. But  
even after Gates contacted the authorities, they didn't  
interview him.

And apart from a cursory questioning on August 10,  
the police didn't even thoroughly interview Barbara  
Bittinger, one of the first people to view the scene, the  
hotel housekeeper who saw the towels under the



# "Nichols grabbed the man and threatened to kill him. Later, Danny said Nichols scared him."

Although he was only a few years older than Casolaro, he was very much the elder, the mentor, the teacher. He had even promised to help Danny financially; apparently he was going to lend Casolaro money in return for a 25 percent interest in his home. "It seemed as though Danny had this father-son-type relationship with Nichols," says Gabrielle Miroy, Danny's friend. It's telling that in the cast of characters Casolaro drew up for his projected exposé of the Octopus, the name of Nichols, one of his major sources, is never included.

How much Casolaro learned about Nichols is unclear; we know Nichols was a man as comfortable in the underworld as in the intelligence community and that he was associated with people who treated killing as an ordinary part of doing business.

According to an affidavit sworn to by Agent Gates during the course of a 1987 investigation into mob activities in Hollywood, Nichols was identified by the FBI as early as 1978 as a drug trafficker and money launderer. Just two years later, Nichols was representing a group of unknown investors who wanted to take over Summa Corporation, the holding company of Howard Hughes's empire. Hughes had just died, and Nichols had convinced a Saudi company called Ali & Fahd Shobokshi Group to become partners in the (failed) takeover attempt. Joseph Cicippio, who would later be taken hostage in Lebanon, was then the London manager of Ali & Fahd. In a 1980 letter to William Lummis, chairman of Summa, obtained by SPY, Cicippio states, "We are ready, willing and able to provide such finances as may be necessary to acquire Summa."

Cicippio, who lives in Princeton, New Jersey, says he specifically remembers Nichols telling him he was representing interests of the U.S. government in the acquisition of Summa. In an interview with SPY, Cicippio said that over a six- or seven-week period, "Nichols presented me with U.S. Justice Department identification and furnished us with financial and other information on Summa of a highly confidential nature. I assumed he only could have gotten this information from someone high up in the government."

By 1981, Nichols had become partners with a retired arms manufacturer named Peter Zokosky to form a munitions company, Meridian Arms, which in turn joined up with a tiny California Indian tribe and the CIA-connected Wackenhut Corporation in a scheme to manufacture arms on the Indians' reservation. Nichols had his own connection to the agency. In obtaining the

required California permits to possess and sell machine guns in Meridian's quest to provide guns for the contras, Nichols received a recommendation from a CIA official named Larry Curran. Apparently neither Curran nor the California Justice Department agents who issued the permits were alarmed by the FBI's reports on Nichols, or by the fact that he had used several aliases at different times in his life. They even overlooked Nichols's listing of Harold Okimoto, believed by intelligence sources to be a high-ranking member of Japan's Yakuza crime syndicate, as a former employer on his application to carry a concealed weapon.

One of the members of the board of directors of Meridian Arms's parent company was Eugene Giaquinto, then president of the home-entertainment division of MCA, the parent company of Universal Pictures. As part of Gates's investigation of mob influence in the movie industry, the FBI targeted Giaquinto, who was suspected of a variety of criminal acts. They placed him under surveillance and tapped his phones [see SPY, *The Fine Print*, July and August 1989]. Agents caught Giaquinto and Nichols lunching at Le Dome, the swank Los Angeles show business restaurant, and afterward transferring a box from Giaquinto's car to Nichols's. The taps caught them discussing possible takeovers of MCA, and the effect on stock prices. It was also evident from the wiretaps that Giaquinto enjoyed a special relationship with John Gotti. (The investigation was later quashed by Reagan administration officials.)

When reports of the investigation surfaced, Giaquinto left MCA, as well as the board of Meridian. Before that happened, though, he tried to get his friend Nichols a big assignment. SPY has learned that Giaquinto—in his capacity as MCA's home-video honcho—approached Jack Valenti, the powerful chairman of the Motion Picture Association of America, and proposed that Valenti hire Nichols to coordinate the industry's anti-video-piracy effort in Asia. Valenti met with Giaquinto and Nichols but passed. "I didn't feel comfortable with Nichols," Valenti told SPY. One advantage Nichols might have enjoyed in the job of Asian antipiracy policeman would have been his close relationship with the Hawaii-based Okimoto, the alleged Yakuza associate; the two reportedly go back a long way. On the other hand, an antipiracy policeman with close ties to the Gambinos and the Yakuza might not be much of a policeman at all.

Nichols has replied to Gates's affidavit linking him to

John Gotti and the Gambinos through connections at MCA by suing the 17-year veteran and the U.S. government for libel and slander. (The case was recently dismissed.) Some say he has replied in other ways: Gates has testified before the House Judiciary Committee that he has twice heard from informants that Nichols has put a contract out on his life.

Alan Boyack, a former CIA operative now practicing law in Utah, has known Nichols for 15 years and says, "Nichols is lethal." SPY has obtained the transcript of a conversation between Boyack, Michael Riconosciuto and a former FBI agent, Ted Gunderson, in which Riconosciuto describes an occasion where Nichols wanted to deliver a message to a mobster from Chicago. He hung the man upside down on a hoist in an airplane hangar in front of a prop plane, then started the engine of the plane and revved it up, so that the man hanging on the hoist was sucked toward the propellers. According to Riconosciuto, "By the time Bob got finished with him, he wanted to die."

**C**ASOLARO WAS INTRODUCED TO Nichols by Bill Hamilton, the Inslaw man. Hamilton seems aware that Nichols and Casolaro had grown close. In fact, on August 9, 1991, at 12:50 p.m.—about 12 hours before Casolaro died—Hamilton called Nichols at his home in California. They talked for three and a half minutes. Hamilton claims now that he was looking for Casolaro, whom he hadn't heard from in a few days. "Robert Booth Nichols," Hamilton told SPY, "is a very strange and dangerous guy."

Nevertheless, despite Hamilton's professed reservations about Nichols's character, the man who designed a program for tracking criminals and the man who has been linked by the FBI to two crime organizations communicate with surprising frequency. Last summer I visited Hamilton's office in Washington to get a copy of the phone records that would show his call to Nichols on August 9, 1991. He seemed reluctant. It took a fair amount of persuasion to convince him to turn it over—and what he gave me was a photocopy with all but that call blocked out. Shortly after leaving, I remembered that I had wanted to ask him something else and returned to his office. While I was waiting in the reception area, the phone rang. The receptionist buzzed Hamilton: "Robert Booth Nichols, returning your call." When I asked Hamilton about the call, he replied, "I call Nichols all the time. It was just a coincidence that it was right after you left."

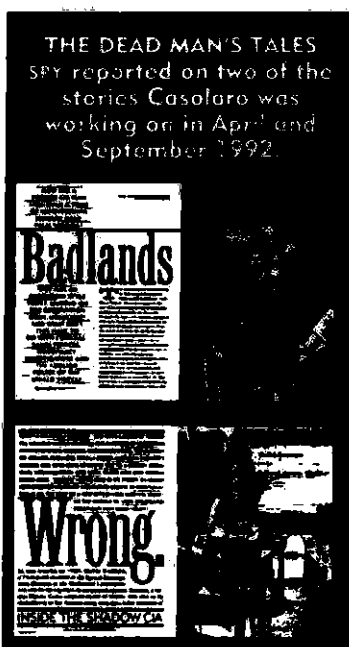
By July 1991, the relationship between Nichols and Casolaro had begun to deteriorate. On July 7, Nichols

flew from Puerto Rico to Washington to meet with Casolaro. He stayed several days. There's no telling exactly what they talked about, but it was after this visit that Casolaro told Agent Gates that Nichols had warned him, "If you continue this investigation, you will die." One night, Casolaro and Nichols went out to dinner, accompanied by Wendy Weaver. "During the evening," she told SPY, "Nichols took exception to the imagined slight made to me by a patron at the bar. Nichols grabbed the man, slammed him against the wall and threatened to kill him. Later that night, Danny told me that Nichols really scared him."

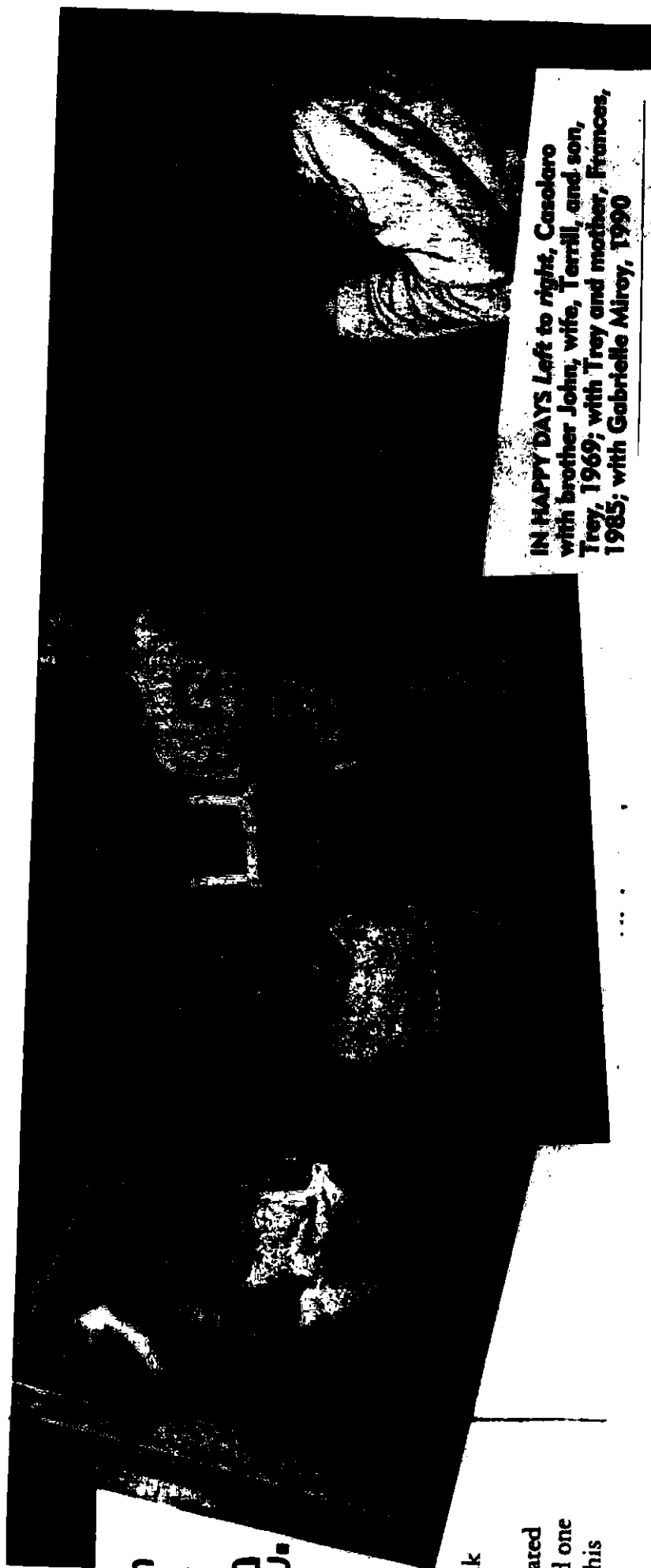
After that, Casolaro began trying to find out who Robert Booth Nichols really was. He found Gates and began asking questions, telling him where he was going and finally, three days before he died, asking whether he should take Nichols's threats seriously. But Casolaro was talking to someone else on the West Coast as well, a man named Richard Stavin, a former special prosecutor for the Justice Department who had been assigned to the MCA case. In his investigation of the MCA case, Stavin had unearthed documents about Nichols, who was also a target of his probe. On July 31, 1991, Casolaro had a 55-minute conversation with Stavin. Danny must have thought he had hit the jackpot: Stavin told him that Nichols had been a money launderer and that he was connected to the Gambino crime family and the Yakuza.

But Stavin told Casolaro something else, something that upon reflection, he now says, "maybe I shouldn't have told him." Stavin told Casolaro that in the late 1970s, Robert Booth Nichols had offered to become a confidential informant for the Department of Justice—in other words, a snitch. Stavin doesn't know whether any law-enforcement agency accepted Nichols's offer. When the prosecutor asked other agencies, "we received denials across the board," he says, "but it seemed like a cover-your-ass situation." To some people, of course, it would be irrelevant whether Nichols had ever actually performed as a stool pigeon or not. But if John Gotti, for example, had ever found out what Danny Casolaro had found out, Nichols would be a dead man.

Six days after speaking to Stavin, Danny Casolaro, who "still had a young man's vision of his immortality," according to his friend Larry Stitch, had a long phone conversation with Robert Booth Nichols. The next day, Casolaro was telling Agent Gates that Nichols had warned him to abandon the investigation. The following morning he left for Martinsburg, where two days later Barbara Bittinger saw his blood on a pair of towels underneath a hotel sink. 3

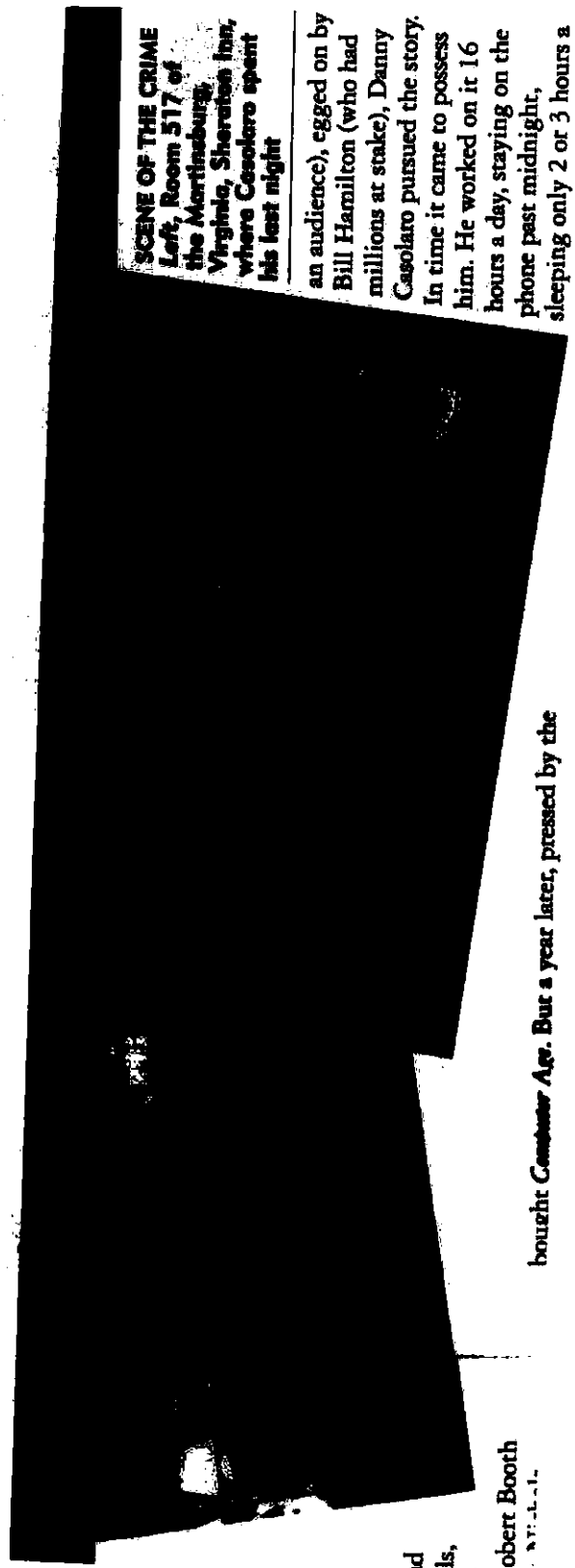


Above: *Black and white photograph, 1947, showing a transcript of testimony offered by a CIA agent before the House Judiciary Committee.*



**IN HAPPY DAYS** Left to right, Casolare with brother John, wife, Terrill, and son, Trey, 1969; with Trey and mother, Frances, 1985; with Gabrielle Mirroy, 1990

**SCENE OF THE CRIME**  
Left, Room 517 of the Martinsburg, Virginia, Sheraton Inn, where Casolare spent his last night



an audience), egged on by Bill Hamilton (who had millions at stake), Danny Casolare pursued the story. In time it came to possess him. He worked on it 16 hours a day, staying on the phone past midnight, sleeping only 2 or 3 hours a

bought *Conan* *Age*. But a year later, pressed by the

Robert Booth

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# Beneath Contempt

## Did the Justice Department Deliberately Bankrupt INSLAW?

By Maggie Mahar

First of a two-part story which began in the March 21, 1988 issue of  
Barron's National Business and Financial Weekly

"A very strange thing has happened at the Department of Justice."

What that very strange thing was, was described in clear and exhaustive detail in Judge George Bason's blistering ruling before a packed Washington, D.C., courtroom last September. In a quiet voice, Bason, a 56-year-old federal bankruptcy judge with a reputation for being meticulous in his judicial approach, told the astonishing story of INSLAW vs. The United States of America.

In his ruling on the case, Bason explained how "through trickery, deceit and fraud," the U.S. Department of Justice "took, converted, stole" software belonging to INSLAW, a Washington-based computer software firm. In 1982, INSLAW signed a \$10 million contract to install its case-tracking software, PROMIS (Prosecutor's Management Information System) in the Justice Department's offices. But instead of honoring the contract, Bason asserts, Justice officials proceeded to purposefully drive the small software company into bankruptcy, and then tried to push it into liquidation, engaging in an "outrageous, deceitful, fraudulent game of cat and mouse, demonstrating contempt for both the law and any principle of fair dealing."

Ultimately, the series of "willful, wanton and deceitful acts" led to a cover up. Bason called statements by top Justice Department officials "ludicrous . . . incredible . . . and totally unbelievable."

Some of the evidence against the department came from one of its own. During the course of the litigation, Anthony Pasciuto, deputy director of the department's Executive Office for United States Trustees, met secretly with INSLAW's president, William Hamilton. At that breakfast meeting at the Mayflower hotel, Anthony Pasciuto told Hamilton and his wife, Nancy, how the Justice Department had pressured Trustee officers to liquidate their company. Later, a superior confirmed Pasciuto's story. But at the trial, a horrified Pasciuto listened while his superior changed his testimony. Close to tears, he, too, recanted.

Judge Bason believed Pasciuto's original testimony however. On Feb. 2, 1988, he ordered Justice to pay INSLAW about \$6.8 million in licensing fees and roughly another \$1 million in legal fees. Bason wasn't sure whether he could assess a department of the U.S. government with punitive damages. If so, damages could run as high as \$25 million. Bason struggled with that legal question and finally postponed the decision to a later date.

Now, no one knows how Judge Bason would have ruled on the question of damages. In November, Judge Bason rejected a Department of Justice motion to liquidate INSLAW. A scant one month later, the Harvard Law School graduate and former law professor discovered that he was not being re-appointed. The decision to replace him followed from a recommendation made by a four-man merit selection panel appointed by the chief circuit judge, Patricia Wald, a former Justice Department employee. The panel was headed up by District Judge Norma Johnson, another former Justice Department lawyer.

Judge Bason stepped down in February. He was replaced by S. Martin Teel Jr., 42, one of the Justice Department lawyers who had unsuccessfully argued the INSLAW case before Bason. Even jaded, case-hardened Washington attorneys called the action "shocking" and "eerie."

INSLAW's case will be assigned to another judge for disposition of damages. Meanwhile, the Justice Department is appealing Judge Bason's initial \$8 million award to U.S. District Court. And, last week, the Internal Revenue Service descended on the Hamiltons, demanding that the bankrupt company pay \$600,000 in back taxes--immediately.

"I restrained the IRS from going after the Hamiltons personally--just a few days before I left the bench," Bason recalls. "But that restraining order lasts only 10 days. I don't know what's happening now."

"It seemed as if the controversy was winding down," observes INSLAW's former attorney, Leigh Ratiner. "It would follow a natural course in the press, and then fade from view." INSLAW would become another shocking event that slinks off into obscurity: Someone occasionally might dimly remember and idly ask, "What ever did happen to Bill Hamilton and those INSLAW people? A real shame . . . I heard the judge was back teaching law somewhere. . . ."

But at the end of last week Anthony Pasciuto instructed his lawyer to write a letter to Deputy Attorney General Arnold Burns. Pasciuto has decided to tell the full story that he began telling at the Mayflower last spring. And, in an interview with "Barron's" at the end of the week, Pasciuto explained how the Justice Department black-listed INSLAW. It was a tale that involved two U.S. trustees, a federal judge who told two versions of the same story, and a Justice Department that routinely refused to pay certain suppliers: "If you're on the bad list, you go in this drawer," another Justice Department employee explained to Pasciuto.

Pasciuto knows what happened--but not why. In the trial, INSLAW claimed that C. Madison "Brick" Brewer, the Justice Department employee responsible for administering the department's \$10 million contract with INSLAW, held a grudge against the company: INSLAW's Hamilton had fired Brewer in 1976. But since the trial, Hamilton has become convinced that Brewer alone could not have been that powerful. Bason's removal and Pasciuto's account suggest that what motivated the remarkable behavior of the Justice Department was something of greater moment than a middle-level employee's petty grievance.

Indeed, three people have lost their jobs as a result of the INSLAW scandal--but not paradoxically, those responsible for the scandals. The trio of victims includes Judge Bason and Pasciuto-- who received notice that he would be fired after he testified, and just two days after Judge Bason was informed that he would not be re-appointed. The third casualty of the INSLAW affair was Leigh Ratiner a former partner at Dickstein Shapiro and Morin, the firm that represented Edwin Meese during his confirmation hearings for Attorney General.

Why Bason and Pasciuto got the ax can easily be inferred. Ratiner's forced departure is a little more complicated. In January 1986, Elliot Richardson asked Ratiner to take on INSLAW's defense. Ratiner agreed, and named D. Lowell Jensen, then the Deputy Attorney General, and a long-time Meese friend, in a complaint. Not long after, Meese discussed the case with another Dickstein, Shapiro partner, Leonard Garment, the attorney who, along with E. Robert Wallach, represented Meese in his confirmation hearings. Meese acknowledged the conversation in a pretrial interrogation. Shortly thereafter, his partners at Dickstein, Shapiro asked Ratiner to resign.

The Senate's Permanent Subcommittee on Investigations is now looking into--a sign that the lawmakers, too, think that the whole story of the "something strange" that happened in the Justice Department has yet to be told. The Hamilton's attorneys aren't sure why a department of the U.S. government wanted to liquidate their company. Anthony Pasciuto doesn't know. Judge Bason is still trying to piece together who had it in for him and why. But Bason, Hamilton and the attorneys involved in the case are beginning to define the pieces of the puzzle with some pointed questions.

Why did the Justice Department hire Brick Brewer, a former employee, to supervise a contract with his former employer? "The person is going to be biased in favor of the former employer--or he is going to be biased against the former employer," Bason pointed out in his decision.

The judge also noted that D. Lowell Jensen, the former deputy Attorney General named by Ratiner in his complaint, was questioned on this issue. Jensen, now a federal judge in California, "recognized the general principle that it is a bad idea" to hire a former employee, disgruntled or otherwise, for such a task, Bason observes. But, Bason wrote, he was amazed to find "no hint in Jensen's testimony that he recognized there was any possible applicability of that general principle to the case of Mr. Brewer and."

Hamilton discloses that Mr. Jensen himself was already familiar with. Hamilton ran into Jensen in the early 1970s, when Hamilton was developing PROMIS, the case-tracking system that he contracted to sell to the Justice Department. At that time, Jensen, a long-time friend of Ed Meese, was district attorney in Alameda County in northern California, developing his own computerized case-tracking system, DALITE. Jensen competed with Hamilton's PROMIS head-on-head. PROMIS won.

Hamilton and others familiar with the case ask: Could Jensen still be feeling competitive? People who have "tracked" the case point to the coincidences of timing: INSLAW's problems with the Justice Department erupted soon after Jensen was promoted to Associate Attorney General--the No. 3 person in the department--in 1983.

Hamilton reveals another curious coincidence: About 90 days before the Justice Department contract began to fall apart, he received a phone call from Dominic Laiti, chairman of Hadron Inc., a company in which Earl Brian, a long-time Meese colleague, holds an interest (see "Brain's Meese Connection" posting following this one, from Barron's Jan. 11, 1988 issue). Brian's Info-technology controls four of six seats on Hadron's board. Laiti told Hamilton, according to Hamilton, that Hadron intended to become the dominant supplier of computer software and services to law enforcers and courts and related agencies, and that Hadron wanted to buy. "We have ways of making you sell," Hamilton quotes Laiti as saying.

Laiti insists: "I have no memory of this. It all sounds ridiculous to me."

The bizarre web of coincidences and connections includes AT&T. AT&T had a contract with and, during bankruptcy proceedings, declared itself a major creditor. Then, Hamilton alleges, AT&T's

attorney began to behave less like someone representing a creditor interested in salvaging the company than like an attorney for the Justice Department bent on liquidating it. More coincidences: AT&T's outside counsel, Ken Rosen, was with an obscure New Jersey firm, but formerly had been a member of Deputy Attorney General Burns's New York law firm. Rosen's co-counsel, Shea & Gould, is not AT&T's usual outside counsel, either, though it is the firm used by Earl Brian.

Bason questions the failure of high Justice Department officials to take any action to investigate serious allegations of misconduct. Both Hamilton and his attorney, Elliot Richardson, complained about Brewer's handling of the contract, and requested an investigation.

"There's such a contrast between the total inaction on the part of Justice Department regarding Mr. Brewer--and the hammer and tongs approach they're using with Mr. Pasciuto," Bason observes.

Last Thursday, Pasciuto's attorney, Gary Simpson, delivered his letter to Deputy Attorney General Burns--and met with the Senate committee. At the end of the week, that committee met with Bason, as well. Senator Nunn's committee may find some answers--and ask more questions--that will illuminate this bizarre story.

For now, Pasciuto does know what happened to him and his tale provides a window on the strange thing that happened to.

In March of 1982, William Hamilton could probably envision his face on the cover of Fortune. He had just won the \$10 million, three-year contract with the Justice Department to install PROMIS in the department's 20 largest U.S. Attorney's offices, and to develop a separate program for its 74 smaller offices. Hamilton, who had contracts with private firms as well, now had a deal with the nation's premier law firm: the Department of Justice.

PROMIS was unique, and those 94 U.S. Attorney's offices represented an entering wedge: Hamilton could dream of capturing the federal judicial system's entire caseload. In the fiscal year October 1, 1982, INSLAW's revenues went up about 35% to \$7.8 million, with more than half of those revenues coming from the Justice Department contract.

But then, that funny thing happened. The Justice Department began postponing payments. In July 1983, Hamilton says, the department suspended nearly \$250,000 in payments, alleging that the company was overcharging the government for time-sharing. In February 1985, the government terminated the contract with smaller offices that had been generating revenues of \$200,000-\$300,000 a month.

INSLAW's cash flow shriveled. By Feb. 7, 1985, the government had withheld \$1.77 million. twisted and turned, trying to negotiate with the Justice Department, desperate to find out what went wrong. Finally, in financial shambles, filed for bankruptcy in late February. The Department of Justice kept the software--and kept on using it.

In his decision, Bason compares the Justice Department to someone who decides to test drive an automobile: "So the customer drives off with the car and this is the last the dealer ever sees of him. I think that is approximately what the Department of Justice has done in this case."

In last week's letter to Deputy Attorney General Burns from Pasciuto's attorney, Gary Simpson, Pasciuto suggests a pattern of harassment that helped drive into Chapter 11. According to Pasciuto, in June of 1984, Robert Humneycutt, who worked in the Department of Justice's finance offices, told him about his practice of dividing contractors' bills into three piles. "One pile he would pay right away; the next pile when he got around to it; and then he opened a drawer and pointed to some invoices in the drawer and said: "These invoices

may never get paid." Hunneycutt then identified such invoices as belonging to companies on the "bad list."

"Mr. Pasciuto asked who was in that pile," the letter to Burns goes on, "and he said that was an example and that 'People in the U.S. Attorney's offices don't like they are in this pile. . . .'"

When "Barron's" phoned Hunneycutt, he returned the call, and left this message: "Mr. Hunneycutt knows nothing." In a subsequent conversation, he denied the conversation with Pasciuto.

But Hamilton claims that the Justice Department was trying to starve. They didn't just push to bankrupt the software firm, he insists, they wanted to liquidate it, converting it from Chapter 11 to Chapter 7, as soon as possible. Why? Hamilton speculates that Justice may have wanted to push into an auction where PROMIS could be purchased cheaply by someone that the department viewed more favorably.

Indeed, the Justice Department did move for liquidation. And on St. Patrick's Day 1987, Anthony Pasciuto met with the Hamiltons at the Mayflower and gave them a fuller picture of what was happening to them. A mutual friend, Mark Cunniff, executive director of the National Association of Criminal Justice Planners, asked Pasciuto to go to that breakfast meeting at the Mayflower.

"I said, 'Don't you know what you're asking me to do?'" Pasciuto recalls. "He said, 'I know.'"

"I knew him for 19 years," Pasciuto explains. "I said, 'Mark, I'm doing it for you--and for these poor people.' I knew they had five kids," adds Pasciuto, a graying 44-year-old All-American "nice guy" with a strong Boston accent, and an open, slightly pockmarked face. Pasciuto has been married for 21 years, in government service for 21 years, and still wears his class ring--U. of Mass., 1965.

So, at the Mayflower, Tony Pasciuto remembers he tried to help Bill and Nancy Hamilton--and confirmed their most paranoid fantasies: The Justice Department was out to get them.

At the meeting with the Hamiltons Pasciuto told them that his boss, Thomas Stanton, director of the Justice Department's Executive Office for U.S. Trustees, was pressuring the federal trustee overseeing the case. William White was being pressed to liquidate. According to Pasciuto, in 1985 White told him that he was resisting the pressure. As a result, White informed Pasciuto, Stanton denied White's Alexandria office administrative and budgetary support and, at the same time, tried to have an assistant from the U.S. Trustee's office in New York take over the case and convert it.

The Hamiltons were told by Pasciuto that Cornelius Blackshear, the U.S. trustee in New York at the time of INSLAW's Chapter 11 filing, knew all about Stanton's plan. Pasciuto said that Judge Blackshear had repeated this tale of pressure in the presence of United States Court of Appeals Judge Lawrence Pierce in the judge's chambers in Foley Square in New York. Pasciuto also told the Hamiltons that the Justice Department had blacklisted on the department's computer system procurements.

On March 25, 1985, INSLAW's lawyers deposed Blackshear, and he confirmed the story of pressure to liquidate. The very next day, March 26, Blackshear met with a Justice Department representative, and signed a sworn affidavit, recanting, and saying that he had confused with another case--United Press International, which had also been involved in bankruptcy proceedings in Judge Bason's court.

"I know the difference between UPI and, I'm not that dumb," Pasciuto observes. He spells it out with a finger: "U--P--I."

Cornelius Blackshear left his position as United States Trustee and became a United States bankruptcy judge the following fall.

According to Pasciuto, Judge Blackshear discussed in Judge Pierce's chambers. But when questioned on the point, Judge Pierce told "Barron's": "I have made it my business not to get into the particulars of whatever Tony [Anthony Pasciuto] got himself into the middle of. Apparently, he thought his employer was doing something that was not kosher. I told him I didn't want to know about it--if he needed to, he should hire an attorney."

When "Barron's" offered to recount the details Pasciuto allegedly discussed in his presence, the judge grew agitated: "Don't tell me--I don't want to hear it. I don't want to know about it."

"I did ask him for help--six months before it all happened. I didn't know what to do," Pasciuto recalls. "Judge Pierce and I go back to the time when I was an assistant dean at the School of Criminal Justice in Albany--in 1972. He was a visiting faculty member for one year. We became good friends. I considered him a father figure.

In his ruling, Judge Bason noted that Blackshear had given "two different versions of the same event" and decided that other evidence supported the first version. White also denied the story of political pressure in court and Judge Bason asserted in his June 1987 ruling, "What I do believe is that Mr. White has a capacity to forget . . . a capacity which probably all humans share to some degree or another."

Judge Bason went on to point out: "Mr. White has just recently joined a large law firm that practices primarily in Virginia and primarily in bankruptcy matters. Mr. White's future with the firm that he so recently joined could well be dependent on income-producing work that he does. . . . It seems to this court that Mr. White is not in a position at this point in his career to jeopardize his relationship with the U.S. Trustee's office in Alexandria, and for him to testify in a way that would be strongly disliked and disfavored by the Executive Office for U.S. Trustees could well have an adverse impact on the relationship between the executive office and the Alexandria office and, in turn, a relationship between Mr. White and the Alexandria office."

But in late spring of 1986, White was still a U.S. Trustee, and Pasciuto recalls one more incident involving White called Pasciuto and asked for an extra filing cabinet for his files. "I said, 'You've got plenty of them over there,'" Pasciuto recalls. White responded, "I know, but I need another one because I need to put all the files in one cabinet and lock it."

White was discreet. So, on June 1, 1987, when Anthony Pasciuto walked into that packed D.C. courtroom to take the stand in the case, he knew that White would not support his story. He also knew that Judge Blackshear had changed his original story. As Pasciuto's lawyer puts it in the letter to Burns: "Mr. Pasciuto was now the only person with recollection of conversations with U.S. Trustees in which Mr. Stanton was identified as having put pressure regarding the case. Other people's recollections were being erased by mechanisms best known to them."

Pasciuto's boss, Stanton, apparently put his own pressure on Pasciuto. Beginning in 1985, according to the letter to Burns, Pasciuto began reporting his concerns about substantial deficits in the U.S. Trustee's office to Stanton. In 1986, Pasciuto spoke to the Department of Justice's finance staff and by late 1986, he says he had gone on record with the Office of Professional Responsibility about financial indiscretions by Stanton. According to Pasciuto, Stanton in September 1986 called him a "traitor." Pasciuto began actively looking for other employment, including a job as Assistant U.S. Trustee in Albany, N.Y. But no transfers were available for Anthony Pasciuto--until he was subpoenaed to testify in the case.

"Within an hour of receiving that subpoena to testify, Mr. Pasciuto was given a copy of an appointment paper for a job as the Assistant United States Trustee, Albany, New York, signed by Mr. Stanton," Simpson, Pasciuto's attorney, reports in last week's letter to Burns. After the trial was over, however, Pasciuto was told that the procedure "was changed" and that the deputy Attorney General would have to sign off on the form. That never happened.

But Pasciuto, who believed the signed appointment papers, sold his house in Maryland for \$200,000 and bought a house in Albany for \$250,000. On the day the movers came, he was told that the sale of the Maryland house had fallen through. "We had to move, we had to carry two houses--and we couldn't even move into the Albany house yet because the owners wouldn't be moving out for a month," Tony Pasciuto recalls. "So, we stayed with in-laws for a month." That was May 22, 1987. Nine days later Tony Pasciuto walked into court.

When he entered the court room on June 1, 1987, Pasciuto was not represented by counsel. According to Simpson, his attorney: "The Justice Department attorney who was handling the case, Mr. Dean Cooper, did not prepare him well for his trial testimony. The paralegal who was taking notes during the witness preparation says that he has lost the notes of that meeting."

When the questioning began, Pasciuto must have realized that the Justice Department attorney was not going to guide him gently through his story. One of Cooper's first questions was "whether [Pasciuto] had been seeing a doctor about a stressful condition."

In his letter to Burns, Simpson explains: "Mr. Cooper apparently knew that Mr. Pasciuto had been seeing a psychiatrist in connection with personal problems that he had been experiencing and Mr. Pasciuto . . . now knew that the United States Department of Justice was prepared to stoop to the level of bringing his personal problems into the case to get him to be careful about what he said."

Apparently, the tactics worked. Pasciuto recanted, saying that the statements he made to the Hamiltons at the Mayflower were made in an effort to hurt Stanton, who was blocking his promotion.

Judge Bason remembers the scene: "Mr. Pasciuto seemed to be basically a very honest person who had been caught up amongst a gang of very tough people--and he just didn't know what to do. He was a career federal employee and he was petrified. He probably had a vision of losing his job, his marriage, everything. Probably he thought the only way he could save anything was to recant. I had to adjourn at one point during his testimony--he was close to tears."

But Pasciuto didn't save his career. And now, in the letter to Burns, he has come forward to make a full disclosure.

Last week's letter to Burns contains a compelling, painful vignette of a chance meeting between Pasciuto and Blackshear, about a month after the trial, on July 11, 1987. If Hamilton felt floored by Pasciuto's testimony, so Pasciuto must have felt betrayed by Blackshear's change of heart. The meeting was awkward.

As Simpson tells the story in the letter to Arnold Burns, it was six in the evening, when Pasciuto and his wife were leaving the home of a mutual friend, Harry Jones, now U.S. Trustee for the Southern District of New York. Judge Blackshear came up to Tony Pasciuto, put his arm around him, and said, "I am sorry, it will be all right."

Pasciuto replied: "No, it is not going to be all right, they are going to fire me."

Blackshear responded, "They are not going to fire you. Don't they know how much you know?"

Pasciuto: "Yes, but they don't care."

Blackshear: "But you told the truth."

Pasciuto: "Of what importance is the truth if everyone else is lying?"

Blackshear: "These people came up from Washington and the U.S. Attorney's office; I got confused. I thought that by changing my story I would hurt less people. I didn't know you were subpoenaed until I saw your testimony, which was sent to me by Barbara O'Connor."

Pasciuto: "Do you remember what we talked with Judge Pierce about?"

"I wanted to see if he was going to continue his crap," Pasciuto recalls. "But he dodged--literally backing away from me--saying, again, 'They sent someone from Washington and someone from the U.S. Attorney's office. I felt the easiest thing to do was recant. I felt less people would be hurt if I just bailed out.'"

In Simpson's version, Judge Blackshear had received two telephone calls from William White the day he changed his story. White told him he had the wrong case.

Pasciuto, exclaimed, sarcastically: "What! They asked you about converting \*another\* case [from Chapter 11 to Chapter 7]?"

Blackshear, waving his hand: "I don't want to get into it and who the hell cares?"

Today, after listening to Simpson's version, Blackshear states: "I don't remember the specifics, word for word, but I do remember having that conversation. And I don't have any problems with what Tony remembers."

Recalling the scene, Pasciuto says: "You know, even now--I'm not angry. I can't help it. I'm not. Blackshear is basically a wonderful person. It's sad--I'm sorry, I'm not angry. It really is sad. I feel devastated."

Tony Pasciuto now has a house in Albany, and soon will have no job either in Washington or New York. Over the past nine months, he has spent \$12,000 commuting from Albany to the job he still clung to in D.C. Legal fees are draining his savings--the bills total \$25,000 so far. "We're lucky that my wife and I were always frugal and have the money saved," he says proudly.

But Tony Pasciuto is frightened. "At work, ever since I got the letter saying they were firing me, I've felt like I was under house arrest," he relates. "People come by my office to see if I'm there. If I leave, I have to sign out. Everyone is supposed to, but normally very few people sign out. If I don't, they try to track me down. If I go to the Men's Room, they come looking for me.

"I'm just a GS 15," adds Pasciuto, referring to his level in government service. "Stanton, my boss, can't fire me. Stanton made the accusations, but the deputy Attorney General, Arnold Burns, will fire me. How does it feel to know that the deputy Attorney General of the United States wants to destroy a GS 15? It's scary. It scares me to death."



# Rogue Justice: Who and What Were Behind The Vendetta Against INSLAW?

By Maggie Mahar

Conclusion of a Two-Part Story Which Began in the March 21, 1988 Issue of  
Barron's National Business and Financial Weekly

This article was depicted as the cover story with the preceding title  
emblazoned above the seal of The United States Department of Justice

Two weeks ago, "Barron's" told the story of INSLAW, a small software company that landed a \$10 million contract with the Justice Department in 1982. Bill Hamilton, INSLAW's 42-year-old founder was jubilant when Justice bought the Prosecutor's Management Information System (PROMIS), which he had spent his life — and his life's savings — building. But then things took a mysterious and nasty turn. Justice began withholding payments. Contract disputes multiplied. Threats accelerated. Bill Hamilton couldn't understand what was happening or why. But he knew INSLAW's cash flow was shriveling. By 1985, INSLAW was in financial shambles, and Bill Hamilton ended up in federal bankruptcy court. And there, last fall, a federal bankruptcy judge handed down an astonishing ruling.

Judge George Bason found that the Justice Department had purposefully propelled INSLAW into bankruptcy in an effort to steal its PROMIS software through "trickery, deceit and fraud." On Feb. 2, 1988, Bason ordered the Department of Justice to pay INSLAW about \$6.8 million in licensing fees and roughly \$1 million in legal costs. He postponed a decision on punitive damages — which could run as high as \$25 million.

Trial testimony revealed an unexplained series of "coincidences" surrounding the INSLAW case, including the fact that Justice appointed C. Madison "Brick" Brewer to oversee the INSLAW contract. Brick Brewer had worked for Hamilton — until Hamilton fired him in May 1976. After listening to Brewer's testimony, Judge Bason wrote that he could not understand why Justice picked a man "consumed by hatred" to administer the contract with a former employer. He also couldn't fathom why top department officials ignored complaints from INSLAW attorneys when Brewer began withholding payments. "A very strange thing happened at the Department of Justice," observed Judge Bason, leaving open the question as to just why, at the highest levels, the U.S. Department of Justice condoned a vendetta against a small, private U.S. company.

It was November of 1987 when Judge Bason rejected a Justice Department motion to liquidate INSLAW. Not quite one month later, Judge Bason learned that he would not be re-appointed to the bench. In the past four years, only four of 136 federal bankruptcy judges seeking re-appointment have been turned down. Bason was replaced by S. Martin Teel, one of the Justice Department attorneys who unsuccessfully argued the INSLAW case before him.

Bason observes that the Justice Department will now have a "third bite of the apple" on the question of punitive damages. Judge Teel has refused himself from the case, and the Justice Department is appealing. So INSLAW vs. the United States of America hangs in limbo.

The INSLAW case also left a Justice Department whistle-blower waiting for the verdict on his 21-year career. When "Barron's" began reporting the INSLAW story two weeks ago, we interviewed Tony Pasciuto. Pasciuto revealed how a Justice Department colleague responsible for paying contractors' bills said he divided them into three piles: "One pile he would pay right away, the next pile when he got around to it, and then he opened a drawer and pointed to some invoices in the drawer and said, 'These invoices may never get paid. If you're on the bad list you go in this drawer.'" INSLAW was on the bad list.

Pasciuto also repeated what he had been told by Cornelius Blackshear, a federal judge and former U.S. Trustee based in New York. Blackshear had confided that his Justice Department superior in Washington was pressuring him to send someone down to D.C. to help liquidate INSLAW. Apparently, Washington wanted to make sure that the job was done.

When INSLAW's lawyers deposed Blackshear, he confirmed the story. During INSLAW's suit, Judge Blackshear recanted. Meanwhile, about one hour after Pasciuto was subpoenaed to testify, his superiors in the Justice Department offered him a long-awaited transfer to Albany, N.Y.

Feeling scared and "out there all alone," Tony Pasciuto bought a house in Albany and changed his story. Close to tears, he recanted on the stand. Judge Bason recalls the scene: "Mr. Pasciuto seemed to be basically a very

honest person who had been caught up amongst a gang of very tough people — and he just didn't know what to do."

According to Pasciuto, after he testified, Judge Blackshear met him at a party and said, "I'm sorry. . . . These people came up from Washington and the U.S. Attorney's office. I got confused. I thought that by changing my story I would hurt less people." When "Barron's" read Pasciuto's version of the conversation to Judge Blackshear, a weary-sounding Blackshear confirmed it: "I don't remember the specifics word for word. But I do remember the conversation. And I don't have any problems with what Tony remembers."

Meanwhile, after Tony Pasciuto recanted in court, the Justice Department told him, "Sorry, the procedure was changed. No transfer to Albany." Then, B. Boykin Rose, one of the Justice Department officials who resigned last week, wrote a letter to Deputy Attorney General Arnold Burns — another member of the Justice group who bailed out — recommending that Pasciuto be fired.

When "Barron's" last talked to Pasciuto, he was commuting from the new house in Albany to a job in Washington, where he said, "I feel like I'm under house arrest." And he was awaiting the end of his 21-year career in government service.

"My boss, Thomas Stanton, can't fire me," Pasciuto explained. "The Deputy Attorney General, Arnold Burns, will fire me. How does it feel to know that the Deputy Attorney General of the United States wants to destroy a GS-15? It's scary. It scares me to death." Last week, Burns led the dissidents out of the department.

Tony Pasciuto's tale is chilling. And it raises two equally disquieting questions: Why did the U.S. Department of Justice want to liquidate Bill Hamilton's software company? And, how high did the cover-up of the scheme to destroy INSLAW go? When six Department of Justice officials resigned last week, department spokesmen insisted that they were NOT leaving because they feared Attorney General Edwin Meese was about to be indicted. Nor had they beaten their wives — should anyone ask. But, according to "Barron's" sources inside Justice, their exodus represents the climax to a much larger, subterranean game of musical chairs that has been going on in the Department of Justice for the past 18 months.

"I know of at least 50 or 60 career government employees who have been reassigned or forced out," says one department insider. Another charges the department with using FBI background checks in order to manufacture reasons for forcing employees to leave. "They're trying to find — or force — openings for political appointees that they want to bury as what we call 'moles' in the department," explains a longtime Justice Department hand. "They bury the moles so that the next administration can't find them."

The moles, he goes on, are political appointees who are moved into GS (government service) jobs normally held by career government employees. "It could take the next administration two years to figure out who are the career employees and who are the political appointees dropped into their slots," he says. "In the meantime, the moles will be in place — and they'll have the historical knowledge of how the organization works — everyone else will be gone."

But even while the moles are burrowing in, the rumor among them is that sunlight is about to flood the shadowy reaches of the department. For last week's resignations suggest that Special Prosecutor James C. McKay is coming closer to addressing the question: "Was there justice at Justice during the past four years?"

The INSLAW affair suggests a disquieting answer, for the virtually unpublicized case serves as a window on how Justice did business during the Meese years. In his blistering ruling, Judge Bason charged that the department committed a series of "willful, wanton and deceitful acts . . . demonstrating contempt for both the law and any principle of fair dealing."

Originally, Bill Hamilton, INSLAW's founder, thought that only one mid-level Justice Department official was willfully and deceitfully out to get

him: C. Madison "Brick" Brewer, the former employee whom he had fired. When Hamilton and his wife, Nancy, put their six children in the family station wagon and drove to a federal court on June 9, 1986, to file a suit against the United States government, they firmly believed that Brewer was their nemesis. But as the trial progressed, their certainty gave way to doubts. Why did Justice put Brewer in that critical and, under the circumstances, highly improper position — and allow him to remain? Why did the Justice Department refuse to settle? Why were the government's lawyers, seemingly not satisfied with bankrupting INSLAW, pressing so hard to liquidate the company? When the trial was finally over at the end of 1987, Bill and Nancy Hamilton had won their case, but they still wanted to know why their company was near ruin. So they followed the counsel of Elliot Richardson, one of their attorneys: They sat down at their dining room table, made a list of all the anomalies in the baffling case, and tried to puzzle out the mystery.

"These were all things we were aware of, yet until you organize them and put them side by side, you don't see them," Hamilton observes.

"But seeing the strange incidents and coincidences all together, suddenly it popped out at me. There was a cover-up — and it wasn't just to protect Brick Brewer. For instance, someone had persuaded Judge Blackshear to recant under oath within 48 hours of his original deposition. Who would have that power? You don't do that to a federal judge to protect Brick Brewer — it's too risky. That's when I became convinced that there was criminal liability at the highest levels of the department. Then, I started to look at the pieces. And, every time I picked up a rock and turned it over, it seemed to fit."

Now, looking back five years, Bill Hamilton believes he understands the reasons for the oppressive behavior of the Justice Department. And he thinks he had an early warning about the department's methods. But he didn't take the warning phone call seriously.

As Bill Hamilton tells it, it was April of 1983, and he was sitting in his office — right across the street from the "Washington Post" — when he received the call from Dominic Laiti, chairman of Hadron Inc.

"Laiti identified himself, and said that Hadron intended to become the leading vendor providing software for law enforcement nationwide," Hamilton recalls. "He said they had purchased Simoon, a manufacturer of police-department software — and Acumedics, a company that provides computer-based litigation support services for courts. 'Now,' Laiti told me, 'we want to buy INSLAW.'"

"I told him he had just described our ambition," Hamilton relates. "We intended to become the major vendor of these software services ourselves — and we were not interested in being acquired."

But Laiti kept pushing, and, according to Hamilton, boasted, as he remembers, "We have very good political contacts in the current administration — we can get this kind of business."

The words would reverberate in Hamilton's memory later, but, at the time, he didn't heed the implicit threat. He just repeated, "We're not interested in selling," whereupon, he says, Laiti retorted, "We have ways of making you sell."

The story sounds fantastic. Laiti calls it "ludicrous." Is Hamilton making it up? "I would think the whole tale was fantasy — if I hadn't been involved in investigating the Iran-Contra affair," confides a Senate staffer now involved in an investigation of the Justice Department's software contracts. And Judge Bason states that Hamilton was a levelheaded witness with a scrupulously honest memory:

"I was particularly impressed in the last phase of the trial," Bason recalls. "Hamilton could very easily have testified positively in a way that would have been favorable to his case — to an extent of about \$1 million. Instead, he testified, 'This is my best recollection — but I am not sure.' The contrast between that and the government witness who was so obviously disingenuous!"

The call from Hadron was strange, so Hamilton remembered it, but in 1983 he shrugged it off. "I politely, but firmly, cut off the conversation. I'd never had a conversation like that with someone in the software industry. I thought Hadron must be new to software — maybe they were used to an industry where this kind of talk was more prevalent."

But now, Hamilton surmises that his troubles may have begun with that phone call. Within 90 days of Laiti's threat, he says, the Department of Justice mounted its attack. And, Hamilton alleges, the attack ultimately became a vendetta, a vendetta that could have been inspired by the convergence of three interests:

Hadron, the brazenly aggressive competitor controlled, from behind the scenes, by a Meese crony from his salad days in California: Dr. Earl Brian.

Brick Brewer, the embittered former employee who, as project manager, was in a strategic position to do INSLAW harm.

D. Lowell Jensen, then the deputy Attorney General, and a ghost from INSLAW's own California past. Jensen had developed a software product to compete with INSLAW and lost — back in the 1970s when Jensen was a D.A. in Alameda County. But Jensen did have the good fortune to meet Ed Meese in the D.A.'s office. So years later, Jensen became top-ranking

member of the "Alameda County Mafia," which found a home in the Ed Meese Justice Department.

When Bill Hamilton sat down, in good faith, to negotiate a deal with the Justice Department, the people on the other side of the table were not dispassionate government officials. They were instead a hostile crew, inspired apparently by old scores and private interest. Whether carefully organized or spontaneously launched, the attack was successful — for a while, anyway. When the principals and the department were suddenly in danger of exposure, Hamilton charges, the cover-up spread out to embrace the Justice Department bureaucracy, the IRS, and Jensen's successor — former Deputy Attorney General Arnold Burns — one of the six who quit last week.

"They circled their wagons," Judge Bason wrote. The defense became an offense, and an attorney, a Justice Department whistle-blower, and the judge himself all lost their jobs. Today, only two of the three have found work.

Hamilton is luckier. IBM has become INSLAW's savior — rescuing the company from the auction block, and vindicating the worth of its product. Meanwhile, some Senate staffers looking into the INSLAW case believe that it raises questions about Project Eagle, a much larger scheme to computerize the Justice Department, the \$200 million contract is scheduled to be awarded before the end of the year.

The deeply troubling questions about INSLAW remain. If anything, they are magnified by last week's departures from Justice: "Why?" and "How High?"

"Start," Bill Hamilton says, "with Hadron." For Hadron is indeed, as Laiti allegedly boasted, "well-connected in the Administration." It is controlled by Dr. Earl Brian, the longtime friend of Ed Meese who owns Financial News Network ("Barron's," Feb. 29, 1988). In fact, business dealings between the Meese family and Brian's company imperiled Meese's 1984 nomination. And Hadron, Hamilton charges, is one of the keys to the mystery of why INSLAW became the victim of rogue justice.

Hadron boasts a history replete with acquisitions, lots of government business — and brushes with the SEC.

The outfit emerged in 1979 from the ashes of Xonics, a notorious high-tech fiasco founded and headed by a colorful wheeler-dealer named Bernard Katz. "Barron's" described Xonics in 1976 as a company with a knack for "recognizing income as fast as possible and deferring expense as long as it decently could."

In 1977, the SEC brought a lawsuit against Xonics, accusing top management, including Katz, of fraud and manipulating the stock's price, in part by using Xonics stock to acquire other firms. Besieged by two shareholder suits, Xonics agreed to a permanent injunction in April of that year. The company did not admit to any wrongdoing.

But the nimble survived. In 1979, Dominic Laiti gathered a group of former Xonics executives, and bought Hadron. By 1983, the company was lauded in the press as "an investment banker's dream."

For the child had, it appeared, inherited the parent's acquisitive streak, snapping up nine companies in just three years. The offspring did run into a few SEC snags of its own, however. In 1981, the SEC ruled that the limited partnerships Hadron had set up to fund its R&D efforts were in truth a form of loan financing rather than a source of revenue. By 1982, Hadron had lost \$4.5 million and another shareholder suit was pending.

But by 1983, Dominic Laiti's group appeared to be on a roll, acquiring their way into an exciting new industry: lasers. Laiti was quoted as saying, "There's the potential for very, very rapid growth."

Unfortunately, the roll turned out to be a very, very rapid roller-coaster. By February of 1984, Hadron was announcing sale of its "money-losing laser-equipment division." In the third quarter a year earlier, Hadron had earned a penny-a-share profit, but by early 1984, it was sinking \$1.2 million into the red. Hadron's ups and downs continued: a loss of \$231,000 for the 1986 fiscal year, a profit of \$852,000 a year later — despite a 13% decline in revenues.

Since 1979, the price of Hadron's stock has followed the same pattern, swinging wildly from its high of 6 1/8 in December of 1980 to a low of 3/4 in March of 1985. In the past couple of years, the stock has been trading in a narrower range between 3/4 and 1 11/16, and an investor complains that as far as he knows, the company hasn't had a shareholders' meeting since 1983. "I'm not so much perturbed that they don't meet — I wouldn't care if they never met, if the stock were up around \$5 or \$6," this sizable holder laments.

Still, Hadron has kept bouncing back — with a little help from Uncle Sam: namely, contracts with the Pentagon, a fat settlement with the Agency for International Development and, most recently, a gigantic contract with, yes, the U.S. Department of Justice.

Hadron's government connection can be traced to Earl Brian, who was president of Xonics, Hadron's parent, until October of 1977. Brian slipped away from the company discreetly, just six months after Xonics rolled over and agreed to the SEC injunction. Brian was never charged with any wrongdoing; four Xonics officers were required to sign the consent decree, and he was not one of them.

Ostensibly, Dominic Laiti led the investor group that then rescued Hadron from the ruins of Xonics, but somehow Brian managed to keep his hand on the levers. Today, Laiti — the man who allegedly phoned Bill Hamilton — is Hadron's chairman, but Brian's business-development company controls four of the six seats on Hadron's board.

In March of 1981, Brian resigned from Hadron's board in order, he said at the time, "to divest himself of Hadron to facilitate future transactions" between his business-development company, Infotechnology, and Hadron "under the Investment Company Act of 1940." But by January 1984, Brian was back on Hadron's board, and, according to the 1987 annual report, he's still there, though Hadron is continuing to do deals with Infotech. In October 1987, Hadron sold Atlantic Contract Services to Infotech at book value for a combination of cash and Infotech common stock in a deal valued at roughly \$300,000.

"Brian does an awful lot of buying and selling," the disgruntled Hadron shareholder observes. "He's making money at it, but I'm not sure his shareholders are making money. I know that, as a shareholder of Hadron, I'm not making any money."

Still, in the spring of 1987 Hadron moved into the black in large part because it received \$1.6 million from the Agency for International Development. The AID settlement came after the U.S. government canceled a Hadron subsidiary's business with Syria.

But the AID money wasn't the only lucky boon from Uncle Sam. The government has long been a Hadron client: In the 1987 fiscal year, approximately 34% of the company's revenues came from the Department of Defense. And most recently, a Hadron subsidiary, Acumedics, locked up a \$40 million contract with the Department of Justice.

Hadron never did acquire INSLAW. But there's more than one way to skin a Justice Department software contract. Last October, Hadron's Acumedics division signed the \$40 million deal to provide automated litigation-support services for Justice's Land and Natural Resources division.

When the Acumedics contract was awarded, competitors grouched that the bidding process was unfair. Justice officials respond that all bids went through a stringent review process.

"There was absolutely no pressure on me. It was one of the cleanest procurements I've been involved in," recalls Steve Denny, the contracts officer on the case.

Justice Department officials also pointed out that the \$40 million deal was essentially a continuation of a 1983 contract. Acumedics began doing business with the Justice Department in 1970 as an 8(a) minority business. In 1983, Acumedics was acquired by Hadron — and lost its 8(a) status. But even without the favored status, Hadron somehow managed to hold onto the business, and win a four-year competitive bid contract. Shortly after the acquisition, Earl Bette disappeared on the Hadron board, and, recalls a former Hadron executive, told the board, "If we needed any help in marketing at Acumedics, he had been a member of Reagan's Cabinet, he knew people — and would be willing to make phone calls." The Hadron alumnus adds: "He was just being nice." According to Federal Computer Week, a trade publication: "A competitor for the 1983 contract, who declined to be named, said his company no longer bids on Justice Department contracts. He explained that, after losing the 1983 contract to Acumedics, 'We took a look at their bid compared to ours, and it was about \$1.5 million over ours.'"

Now, the size of Acumedics's newest deal with the government has raised old questions about the man behind the Hadron subsidiary, Dr. Earl Brian, and his connection to Ed Meese. A venture capitalist, and former neurosurgeon, Dr. Brian practiced medicine in Vietnam, then returned to the States, where he became health and welfare secretary in then-Governor Reagan's California cabinet. There, he served with Ed Meese, Reagan's chief of staff until 1979. Today, Brian owns and oversees Infotechnology (which controls Hadron), the Financial News Network, and, most recently, he headed up an investment group that bought the right to run United Press International.

The Brian connection became an embarrassment during Ed Meese's confirmation hearings when Meese acknowledged that his wife, Ursula, borrowed \$15,000 from a Meese adviser, Edwin Thomas, in order to buy stock in Brian's company. Coincidentally, just six months later, Brian lent \$100,000 to Thomas, who by then needed money himself — and had become a member of the White House staff. Neither Meese nor Thomas listed the loans on their financial disclosure statements. Meese paid no interest, and Thomas only partial interest. Following a six-month investigation, independent counsel concluded that there was no basis for criminal charges against Meese, and while "inferences might be drawn from Mr. Thomas's contact with Dr. Brian . . . whether Mr. Thomas or Dr. Brian committed a violation of law was not within our jurisdiction. Even if we were to make an assumption that Mr. Thomas might have been acting on insider information, we have been given no evidence by the SEC."

Bill Hamilton learned of the connection between Hadron, Brian and Meese only after the INSLAW trial ended. But then remembering what Hadron's Chairman Dominic Laiti said about being politically connected —

not to mention "ways of making you sell" — Hamilton thought he glimpsed an ominous pattern.

Hamilton believes the Justice Department mounted its attack 90 days after the Hadron phone call, "with the apparent objective of forcing INSLAW either to agree to be acquired, or into bankruptcy." Earl Brian, Hamilton is convinced, would have been happy to pick up INSLAW cheaply — at a liquidation sale.

Moreover, Hamilton has reason to believe that the No. 2 man in Justice, D. Lowell Jensen, wasn't at all disposed to save INSLAW from the auction block. For, years earlier, Jensen had competed with INSLAW's product, PROMIS, head-on. While holding public office in Alameda County, Calif., Jensen was promoting a rival software, DALITE, that he hoped would be used statewide. Jensen lost.

Jensen served as Alameda County district attorney in the early 1970s and during that time he tried to persuade other DA offices to adopt DALITE, the case-tracking software system that he helped develop. To that end, Hamilton alleges, Jensen urged the California District Attorneys Association to incorporate. By incorporating, the association would be in a position to apply for grants, receiving and administering funds needed to finance DALITE training statewide. But, Hamilton recalls, the very month that the association finally incorporated, the Los Angeles District Attorney's office, the state's largest, chose INSLAW's PROMIS software — dashing Jensen's hopes for DALITE.

Larry Donoghue, now deputy district attorney for the County of Los Angeles, remembers the keen rivalry. He was in charge of selecting software for the L.A. office at the time, and he recalls visiting Alameda County while making on-site inspections: "Jensen called me into his office and I went away feeling what I regarded to be unusual and significant pressure to select the DALITE system. But PROMIS was a more suitable system for a large office. After I made the recommendation to L.A., I remember my conversation with Joseph Busch, who was district attorney there at the time. I said, 'Joe what's your reason for hesitating?' He said, 'Larry, there is resistance to my selecting PROMIS.' The resistance couldn't have come from within the L.A. office." Donoghue adds, "no one there knew anything about software. By a process of elimination, it must have come from Alameda County."

When "Barron's" attempted to reach Jensen for a reply, his office stated that, because the INSLAW case is still pending, he could not comment. But during the trial, Jensen conceded that he had been a critic of INSLAW's software. Yet, he insisted, DALITE was not a commercial product available for sale to the public, and he had no financial interest in it.

Jensen didn't own DALITE any more than Bill Hamilton owned PROMIS when he first invented it. Like DALITE, INSLAW's PROMIS began as a government product. Bill Hamilton developed it while working as a consultant for the U.S. District Attorney's office in D.C. in 1970, and improved it while working for a not-for-profit company funded by the Justice Department. PROMIS became commercial software only after Hamilton left this last job in 1981, formed INSLAW, and raised private funds to refine PROMIS. The software then became a proprietary, and highly profitable, product. Presumably Jensen might have had the same luck with DALITE — if PROMIS had not won the California race.

Instead, Jensen remained at his post in Alameda County for 12 years. And from 1959 until 1967, Ed Meese served with Jensen, as an Alameda deputy district attorney.

When Ronald Reagan became President, Ed Meese recommended that his former colleague, Jensen, be appointed assistant Attorney General in charge of the Criminal Division. In 1983, when Rudolph Giuliani resigned as associate Attorney General — the No. 3 spot in the department — Jensen ascended to that post.

So in early 1984, when Edwin Meese became Attorney General, his old Alameda County compatriot was already in place. And Jensen was not alone. A network, nicknamed the Alameda County Mafia, already was ensconced in Justice. No fewer than six former Alameda County law-enforcement officials held positions ranging from deputy assistant attorney in the tax division, to commissioner of naturalization and immigration. The former Oakland deputy police chief had snagged a spot as director of the National Institute of Justice.

Under Meese, Jensen rose to No. 2, and developed a reputation as a buffer between Ed Meese and his critics. The 58-year-old Democrat was described as "soft-spoken" "apolitical" and a "gentleman of the old standard" in a 1986 "New York Times" tribute, which added, "Colleagues say that Mr. Jensen, better than anyone else at the Justice Department, knows how to duck."

The Justice Department's diplomat had to duck when congressional investigators looking into the Iran-Contra affair reportedly found a Justice Department memo dated March 20, 1986, saying that Deputy Assistant Attorney General D. Lowell Jensen was giving a "heads-up" to the National Security Council, warning that Miami federal prosecutors were on Ollie North's trail.

Bill Hamilton believes Jensen displayed the same talent for diplomatic bobbing and weaving throughout the INSLAW affair. When Hamilton pieced together the anomalies, he realized Jensen's rise to power occurred in

the fateful spring of 1983, when he received the call from Hadron, and all of his troubles began.

"Jensen was promoted to associate Attorney General in May or June of '83 — and that's when all the contract disputes came up," Hamilton points out. Jensen exhibited a strong interest in the software contract and even served as chairman of the PROMIS oversight committee.

In December of 1983, INSLAW's counsel, Elliott Richardson, and Hamilton met with the assistant Attorney General for administration, Kevin Rooney. They expressed their concern that Brick Brewer, the project manager on the INSLAW contract, was biased against the company because Bill Hamilton had fired Brewer some years earlier. Rooney testified in a deposition that, a week later, he told Jensen's oversight committee that Richardson's proposal seemed reasonable. It appeared that the dispute could be resolved. But Rooney left the committee meeting early. After he was gone, Hamilton says, "Mr. Jensen and the other members of the committee surprisingly approved a plan to terminate the word-processing part of the INSLAW contract with the department's Executive Office for U.S. Attorneys."

In March of 1983, Hamilton alleges, Bill Tyson, formerly director of that Executive Office, told Hamilton that a Presidential appointee at Justice was biased against INSLAW. In March 1987, Tyson sent a handwritten letter to Jensen, reassuring him that he had denied this allegation under oath — and that he had not named Jensen as the appointee in question. He also sent a note to Deputy Attorney General Arnold Burns.

In a deposition, Tyson was asked:

"Did either Mr. Jensen or Mr. Burns ask you to write the letter?"

"No sir."

"Did you not realize that by writing a letter to Mr. Jensen of this type informing him of your intended testimony that he would then be able to develop his testimony to be consistent with yours?"

"That was not my intention."

"But as an attorney, you realize that is a possibility, more than a possibility?"

"Well, that was not my intention. . . ."

In his ruling last September, Judge Bason characterized portions of Tyson's testimony as "so ludicrous that there is no way I can believe anything that the man has to say."

A month before writing the notes, Tyson was removed from his position in the Executive Office for U.S. Attorneys, and he and his secretary were exiled to Justice's Immigration and Naturalization Service — though in positions commensurate with their grade levels.

By protesting too much, Tyson could seem to further implicate Jensen. But, the answer to "How High?" leads even higher. Ed Meese himself may have been involved in a push to force Leigh Ratiner, INSLAW's litigating attorney, off the case.

Ratiner had been a partner at Dickstein, Shapiro, & Morin for 10 years when Elliot Richardson recruited him to take on INSLAW. Dickstein, Shapiro was the law firm of Chuck Colson, of Watergate notoriety. Colson brought in its principal client, the Teamsters Union. More recently, Dickstein, Shapiro became known in the loop as Leonard Garment's firm. Garment, a former colleague says, has been described as "the only attorney in Washington who will put a senator on hold to take a call from a reporter." Garment was former White House counsel to Richard Nixon, and represented Meese during his confirmation hearings.

Meese and Garment put their heads together again after Ratiner filed a complaint in the INSLAW case that named Meese's longtime friend and deputy Attorney General, Jensen.

Ratiner, an aggressive attorney with a reputation as very bright, ego-driven, and a loner within the Dickstein, Shapiro firm, relished being viewed as a maverick. So he was displaying his usual independence when he filed the complaint that named Jensen early in October 1986. On Oct. 12, the "L.A. Times" ran a story airing the INSLAW case and the former rivalry between Hamilton and Jensen. On Oct. 23, Ratiner was asked to leave the law firm. Between Oct. 12 and Oct. 23, Ed Meese talked to Garment about the case.

In a pre-trial interrogatory, Ed Meese conceded that he had a "general recollection of a conversation with Leonard Garment in which Mr. Garment mentioned that he had discussed INSLAW with Arnold Burns." Arnold Burns, the deputy Attorney General who resigned last week, replaced Jensen when Jensen left Washington to take a federal judgeship in San Francisco in the spring of 1986.

When "Barron's" asked Leonard Garment about the conversation, he emulated D. Lowell Jensen. He ducked. "I know there was a suggestion by Meese — or one of his staff — saying he met and spoke to me about INSLAW. Oh, he said it in pre-trial interrogatories? Then it was a question of his recollection."

Garment was more emphatic regarding Ratiner's removal. "No one in the Justice Department or the whole U.S. government or the whole USA suggested to me that anything should be done with Ratiner. Nor do I

remember mentioning INSLAW to Meese," he continues. "Look — I met with Meese around the date he mentioned, and I discussed with him a matter of foreign policy. I was on my way to Israel. . . . Memory is so tricky, but I don't have the slightest recollection. . . ." Finally, Garment collected his recollections and summed up his position. "As Sam Goldwyn said, 'Include me out.'"

Ratiner's exit settlement with Dickstein, Shapiro bars him from discussing how and why he left. But Hamilton believes that Burns and Meese expressed dismay at the fact that he had turned the spotlight on Jensen. After Ratiner gave up the case, the firm continued to represent INSLAW, but Hamilton feels their support waned. In January of 1987, Dickstein, Shapiro urged him to settle with Justice for \$1 million — of which about half would go to pay Dickstein, Shapiro's fees. A few days later, Hamilton switched attorneys. In September, Judge Bason awarded INSLAW \$6.8 million — plus attorneys' fees.

During the trial, Tony Pasciuto's boss, Thomas Stanton testified to another reason why Meese might have been interested in the INSLAW case: INSLAW could beamirch the U.S. Trustee program. The U.S. Trustee's Office had been recently set up to administer bankruptcies nationwide, and it was Meese's baby. Meese made the decision to take the Trustee program national — even though his predecessor, William French Smith, had planned to ditch the pilot Trustee program.

Two of Pasciuto's former colleagues in the Justice Department allege that the move to keep the U.S. Trustee program was flagrantly political. "It was a way of getting cronies into office. There would be 50 or 60 positions to be filled," one asserts. Stanton, the director of the Trustee program, seemed well-protected within Justice. This former Pasciuto colleague adds: "It was always puzzling to me how he got away with what he got away with. He'd do things that were blatantly wrong and no one would question him — it's kind of scary." Another former employee confirms, "Irrespective of the law, or anything, if Stanton wanted something, he had the ear of the right people at the highest level — straight from Burns to Meese. If he could not get what he needed, he went to Burns."

Outside Justice, bankruptcy attorneys like Patrick Kavanagh, a solo practitioner in Bakersfield, Calif., worry that the Trustee program "concentrates so much power in one government department. . . . It's supposed to act as a watchdog over lawyers and trustees, but the problem is it's more. It has a considerable amount of power to control the administration of cases."

When a case moves from bankruptcy to liquidation, the U.S. Trustee's Office names the trustee, who converts the assets, oversees an auction, and retains appraisers who will put a price tag on the leftovers.

The U.S. Trustee's program also links Justice and the IRS. "The thing that's a little frightening about it is that the U.S. Trustee department sees itself as part of the tax-collecting function of government," observes Charles Docter, the bankruptcy attorney representing INSLAW. "The Justice Department represents the IRS, and the IRS is often the biggest creditor in a liquidation."

In the INSLAW case, tax collectors seem unusually determined to see their debt paid immediately. "The IRS showed up in Bill Hamilton's office the day after the trial ended in August. Ultimately, they would demand that he personally pay the \$600,000 that INSLAW owes," says Docter. "Usually the IRS calls us before coming to see one of our clients," he notes. "We talk to them on the phone and get it straight." Hamilton doesn't have the \$600,000 in his personal savings account.

But Docter responded to the pressure by writing a letter in which INSLAW promised to pay the withholding portion of the taxes within 30 days. "Normally, the IRS would wait that long," he says. "Instead, on the 28th day, they wait out and filed to convert INSLAW from Chapter 11 to Chapter 7." Once again, they were trying to liquidate INSLAW.

Lately, Docter reports, an aggressive IRS has been pursuing withholding taxes by going after the individual who owns a company, "but normally they don't go for the jugular immediately and file for a motion to liquidate."

Still on the bench, Judge Bason managed to stop the IRS push to liquidate INSLAW.

When the tax collectors filed to convert INSLAW to Chapter 7, Docter recalls having a memorable conversation with an attorney from the Justice Department's tax division. Docter chided the attorney from Justice, saying: "Look, the judge has already found that you tried to steal the software through 'trickery and deceit.' Isn't it about time you stopped this heavy-handed stuff? Doesn't anyone in the department have enough guts to say, 'We have to start handling this like lawyers?' The whole thing is just completely sullyng the Justice Department."

Docter states that the attorney from Justice replied: "I don't set policy around here. The Attorney General does."

And, Bill Hamilton remembers, Ed Meese approved the Justice Department bonuses awarded after the trial was over, in December of 1987. Three of the six who received bonuses were involved in the INSLAW case:

Stewart Schiffer, who directly supervised the INSLAW litigation, received \$20,000.

Michael Shaheen, head of the "Office of Professional Responsibility," \$20,000. Shaheen wrote a letter to Arnold Burns on Dec. 18 recommending that whistle-blower Pasciuto be fired for exercising "atrocious judgment" in telling the Hamiltons what he knew.

Lawrence McWhorter, Brick Brewer's boss, \$10,000. McWhorter, Judge Bason noted, said, "I don't recall" or "I don't know" something like 147 times in his deposition." The court found McWhorter's testimony to be "totally unbelievable."

Arnold Burns, deputy Attorney General until just last week, headed up the panel that received recommendations for Justice bonuses.

With no help from Uncle Sam, Bill Hamilton earned his own bonus. IBM has plans to enter a \$2.5 million deal with INSLAW that will bail the firm out of bankruptcy. "About \$1 million will be used for software development to integrate INSLAW's products with IBM's own database software," Hamilton says, "and \$1.5 million will be used to finance INSLAW's reorganization." Details are still being negotiated.

"IBM's law firm has drawn up a contract. We expect to have it signed in two or three weeks," Hamilton adds.

In a 1981 speech, Edwin Meese had lauded INSLAW's work on PROMIS as "one of the greatest opportunities for success in the future." It seems he was right: The IBM deal provides the clearest evidence of all of the product's continuing value.

Still, the IRS persists in demanding immediate payment — even though the pending IBM contract, not to mention the \$8 million owed by Justice, suggest that INSLAW will be able to pay its tax bill. Charlie Docter, INSLAW's attorney, comments on the IRS posture: "The whole thing smacks of a police state. This case scares the hell out of me."

"Scary" is the word most often used by victims of the INSLAW affair. They are angry, but they also can't quite believe it happened.

That the U.S. Justice Department could engage in a vendetta that would end the career of a federal judge, bankrupt a company, force a partner out of his law firm, cause another federal judge to recant under oath and reach down and wreck the career of a 21-year government-service employee — that's the stuff of a spy novel, set, one would hope, in another country. But resignations en masse from a Department of Justice inhabited by "moles" suggest alarming facts, not diverting fiction.

Bill Hamilton's story is not based on imagination. It's based on experience, and there's considerable circumstantial evidence that he could have been the victim of a California cabal encompassing onetime members of the Reagan gubernatorial cabinet, and alumni of the Alameda County Mafia. Ed Meese belonged to both groups.

Why did INSLAW rate the attention of such a powerful group? INSLAW was, one Senate staffer suggests, the leading edge of Justice's \$200 million "Project Eagle," a plan to computerize the department's tax division, criminal division and the 94 U.S. Attorney's offices. INSLAW predates the four-year-old Project Eagle, and might well offer an easy entry to any company that wants to participate in that program. The Justice Department has taken pains to say that INSLAW is not involved in Project Eagle. But Senate staffers looking into both INSLAW and Project Eagle aren't so sure.

Project Eagle seems part of the same pattern of musical chairs: John J. Lane, a respected deputy assistant Attorney General for information technology, left last summer, and according to Government Computer News, Justice has lost its four IRM (information resources management) officials with the longest service in the past year. When Lane left, Justice reorganized its computer operations and created a new position, naming Stephen R. Colgate, who had been director of the Treasury Department's Office of Finance, to head Project Eagle.

Asked about his priorities, Colgate was quoted in the trade publication as saying that, for the leadership of the department, "Eagle is the No. 1 priority. Eagle is the technology legacy that this Administration wants to leave behind." A member of Sen. Christopher Dodd's staff who has been looking into the INSLAW case for more than a year takes a more cynical view:

"If you wanted to wire [fix] something, this would be the project," he confides. "It's been anticipated for a long time. And, it's a lot of money. So, if you wanted to wire something . . . this would be the one." These days, however, it's unlikely anyone at Justice wants wire anything. Today, there's a new agenda: Everyone is either burrowing in, or getting out. And, before leaving, there's an urgent desire to tidy up.

Justice had announced its intention to fire Tony Pasciuto two months ago. But in the end, just a week before Deputy Attorney General Arnold Burns resigned, he agreed to meet with Pasciuto's attorney, Gary Simpson, to hear Pasciuto's side of the case.

Five or six officials from Justice were in the room; another three or four — including one who had recommended firing Pasciuto — waited nervously in the hallway outside.

"I was on a roll," confesses Simpson, who is normally matter-of-fact. "It was something else. I was accusing them of all sorts of things, and no one stopped me." Justice ultimately proposed a painless solution: Pasciuto should walk away, go work somewhere else, and they'd acknowledge he had been a good employee.

During the meeting, Simpson did most of the talking. "Burns was really taking it on the chin," he recalls. "He jerked back a couple of times, but he didn't say anything. More than once, he nodded assent. When I stated that Blackshear had recanted, he nodded again. And," Simpson concludes, "Burns didn't look like he was hearing any of it for the first time."

#### Where Are They Now?

LEIGH RATNER has left the practice of law. The man who once negotiated the Law of the Sea treaty for the U.S. government now runs his own business, LSR Enterprises, a maker of filing systems for lawyers.

JUDGE BASON, who was denied re-appointment as a federal bankruptcy judge, is still unemployed, and looking for work. Judge Bason has no regrets, though he concedes he does not relish controversy. Indeed Judge Bason tried to have himself taken off the INSLAW case when it first came up. "I talked to the chief justice of the District Court and said, 'This has the potential of becoming a very hot potato.' I wasn't sure I wanted to get involved in it." George Bason is not, by temperament, a fighter.

"My wife tells me I'm very stubborn," the 56-year-old former law professor confesses. "It takes me a long time to make up my mind about things and I tend to reserve judgment until I know as much as I can. But when I make up my mind, I'm very firm. To a very aggressive person I may give the impression of being a pushover, and when I prove not to be one, such people can be very angry."

TONY PASCIUTO is luckier. He has been offered a good job at a large financial firm based in New York. If he takes it, he'll be making a lateral move from Justice into the private sector. Meanwhile, his attorney, Gary Simpson, awaits final word on Pasciuto's honorable discharge from the department. The papers are scheduled to be signed today.

#### Compiler's Note:

There are a lot of questions Ms. Mahar leaves open-ended since, during the spring of 1988 when she wrote this, many aspects of this situation were still grinding on and had not achieved the clarity now more evident. Obviously, three and a half years later, and a great deal more known about this story, there is much that Ms. Mahar was only able to intimate for lack of more concrete evidence that has since become available. If any of you are interested in following up on any of the points raised in these two articles, I'd like to suggest at least a couple of obvious starting points. Maggie Mahar writes that

Bason questions the failure of high Justice Department officials to take any action to investigate serious allegations of misconduct, and alludes to the Senate Permanent Subcommittee on Investigations, chaired at that time by Sam Nunn:

The Senate's Permanent Subcommittee on Investigations is now looking into INSLAW — a sign that the lawmakers, too, think that the whole story of the "something strange" that happened in the Justice Department has yet to be told. . . . At the end of the week, that committee met with Bason, as well. Senator Nunn's committee may find some answers — and ask more questions — that will illuminate this bizarre story. Why not call up Senator Nunn's office and ask "what happened?" "What did you find out?" "What did you conclude?" "Is there a report you can send me?" also Senator Dodd's office should be called:

A member of Sen. Christopher Dodd's staff has been looking into the INSLAW case for more than a year to see if the member she alludes to is still there or ever wrote up a report of their examinations.

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# Scandal Gates

By Joel Bleifuss

From "The First Stone" Column of the Week  
September 18 through 24, 1991 Issue of "In These Times"

As CIA Director-designate Robert Gates pleads ignorance to knowledge of CIA misdeeds before the Senate Intelligence Committee this week, the lawmakers might do well to remember his sworn testimony of March 6, 1986. At the time, CIA Director William Casey had nominated Gates for the number-two position at the agency. In an effort to impress the senators considering his nomination, Gates said: "[Casey] and I have consulted extensively, even in my present position [as deputy director for intelligence] in all areas of intelligence policy including not just analysis and estimates but also organization, budgeting and covert action. I will now have a formal role in all of these areas." If Gates really had "a formal role in all of these areas"—which appears likely—he certainly knows more than he has let on. And someone should ask Gates what he knows about the Wackenhut Corporation of Coral Gables, Fla.

As the Wackenhut letterhead puts it, the company provides "security systems and services throughout the world." As Wackenhut's Director of Special Investigations Service Wayne Black told the "Washington Times" Deanna Hoaglin earlier this year: "We are similar to a private FBI." The company's board of directors reads like a who's who of the intelligence community. In 1984, for example, former Deputy CIA Director Bobby Inman, currently one of Gates' main boosters in Washington, was a director of the company. And among those on the 1983 board were two former FBI special agents, one retired Air Force general, one former commander in chief of the North American Air Defense Command (NORAD), one former director of the Defense Intelligence Agency, former CIA Director William Rebor, Nixon-appointed FBI Director Clarence Kelly and former CIA Deputy Director Frank Carlucci (who would later become Ronald Reagan's national security adviser). Further, the 1983 board included Robert Chasen, a former FBI special agent who was Carter's commissioner of customs until 1980, when he became a vice president of Wackenhut. Also in 1980, soon-to-be CIA chief William Casey served as Wackenhut's outside legal counsel—the same year he managed the Reagan-Bush election campaign.

**ON THE RESERVATION:** It was in 1980 that Wackenhut began working closely with Southern California's Cabazon Indians and their tribal administrator John Philip Nichols. The San Francisco Chronicle's Jonathan Littman reported this month that Nichols, a white American who spent years in South America, has boasted to friends about working on the attempted assassination of Fidel Castro and the successful assassination of Salvador Allende.

The Cabazons hired Nichols as their administrator in 1978. Littman reports that thanks to Nichols' connections and grantmanship, "federal and state agencies are helping to finance nearly \$250 million worth of projects on the 1,700-acre reservation" belonging to the 30-member Cabazon tribe. According to Littman, these projects include a HUD and mafia-financed casino, a 1,800-unit housing complex and a \$150 million waste incinerator/power plant that was built with tax-exempt state bonds.

But most intriguing is the Wackenhut/Cabazon joint venture, which began in 1980 when the tribe was asked to design a security system for Crown Prince Fahd's palace in Tiaf, Saudi Arabia. This was followed by Wackenhut/Cabazon joint venture proposals to develop biological weapons for the Pentagon and assemble night-vision goggles for the Guatemalan and Jordanian governments.

Why was a security firm so interested in working with a small tribe of native Americans? One good reason can be found in a May 26, 1981, inter-office memo from Wackenhut executive Robert Frye to the above-mentioned Robert Chasen. Frye described an 11-day business trip with Nichols "to explore the apparent potential for the Cabazon-Wackenhut joint venture." Frye wrote that the reservation has "several key ingredients necessary" for a weapons plant, including "lack of opposition by adjacent governing bodies and 'irate citizens' over the siting of such a facility."

John Philip Nichols is no longer officially running the reservation. According to Littman, son Mark Nichols is the tribal administrator while the elder Nichols serves as a "mental-health counselor to Cabazon reservation employees." John Philip Nichols lost his job because federal law prohibits convicted felons from running casinos.

In January, 1985, Nichols was sentenced to four years in prison for capital solicitation of murder. He served 19 months. No one was killed in that murder-for-hire scheme. However, in 1981, Alfred Alvarez, a Cabazon Indian tribal vice president, and two non-Indians were murdered execution style. Alvarez's sister Linda Streeter Dukic says her brother and his friends died

because they were about to expose mismanagement on the Cabazon reservation. Mike Katsoka of the Palm Springs "Press-Enterprise" reports that in 1985, when Nichols was arrested for hiring the hitman, the U.S. Justice Department was investigating his possible involvement in those 1981 deaths. No charges were ever filed.

**ANOTHER MURDER?** The Cabazon / Wackenhut connection was of particular interest to Danny Casolaro, the Washington-based journalist who was found dead in the Martinsburg, W. Va., Sheraton on August 10 (see "The First Stone," Sept. 4 [an earlier post in this on-line series]). Casolaro's friends, family and professional associates fear he was murdered—and that the crime was related to his investigations into a series of corporate and governmental scandals.

Casolaro's brother, Anthony, told the Washington-based "Corporate Crime Reporter," "Danny was trying to track moneys Wackenhut spent and what Danny found was that [Wackenhut] had ear-marked a half million dollars for what they call 'research.'" Anthony Casolaro said that the money "lies in Wackenhut with this Indian reservation and organized crime and CIA guys . . . Those same people showed up with INSLAW and one of them shows up in the October Surprise."

The "October Surprise" was the alleged campaign deal between Iran and the 1980 Reagan campaign to delay the release of the U.S. hostages held in Tehran (see "In These Times," June 24, 1987, Oct. 12, 1988 and April 27, 1991).

"INSLAW was INSLAW Inc. of Washington D.C.—a firm that has brought suit in federal court, charging that the Reagan Justice Department stole the company's PROMIS case-management software program. Two judges has thus far ruled in the company's favor. The suit is still in the courts (see "In These Times," May 29, 1991 ["Software Pirates," an earlier on-line post in this series]).

Earlier this year, INSLAW further alleged that the Justice Department turned the stolen software over to Earl Brian, a friend of both former President Ronald Reagan and former Attorney General Edwin Meese. INSLAW charges that the software was a payback for Brian's help in arranging the October Surprise. Former Israeli intelligence agent Ari Ben-Menashe alleges that Brian—now the head of United Press International—was directly involved in arranging the 1980 deal. Ben-Menashe claims that Brian "worked very closely" on the deal with Robert Gates, who was then a top CIA official.

**NO JUSTICE:** Wackenhut is also linked to the INSLAW scandal. Michael Riconosciuto—a weapons-systems designer and software specialist—was director of research for the Wackenhut / Cabazon joint venture in the early '80s. In a March 1991 affidavit for the INSLAW case, Riconosciuto claimed that "in connection with [Riconosciuto's] work for Wackenhut," he modified the stolen PROMIS software for foreign sales. "Earl W. Brian made [the software program] available to me through Wackenhut after acquiring it from Peter Videniaks, who was then a Department of Justice contracting official with responsibility for the PROMIS software."

Videniaks, a former Customs Service official under Commissioner Chasen, served in the Justice Department from 1981 through 1990. In his affidavit, Riconosciuto said Videniaks had threatened to retaliate against Riconosciuto if he cooperated with a House Judiciary Committee probe of the INSLAW case. Seven days after filing the affidavit (which was not, technically, part of the committee investigation), Riconosciuto was arrested on drug-selling charges. He is now in a Seattle jail awaiting trial.

**PRIVATE SPIES** The 1980s were a decade of privatization. As a for-profit intelligence service, Wackenhut appears to have taken on the kind of work that in earlier years the FBI and CIA would have done (and still do), albeit illegally.

On the environmental-crime front, Wackenhut is now the object of an investigation by the House Interior Committee. Early in 1990, the Alyeska Pipeline Service Co., a consortium of seven oil companies that run the trans-Alaska oil pipeline, hired Wackenhut to spy on environmentalists, whistleblowers and other oil company critics. Wackenhut tactics included setting up a phony environmental organization and having agents pose as reporters. It is alleged in press reports that the company also monitored Rep. George Miller (D-CA) whose house subcommittee has been investigating environmental crimes allegedly committed by the consortium which is composed of British Petroleum, Exxon, ARCO, Phillips, Unocal, Mobil and Amerada Hess.

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# Moving Target Software To Die For

by James Ridgeway

From the September 24, 1991 issue of the "Village Voice"

## Inslaw Lawyer Elliot Richardson Talks About Murder and the CIA

WASHINGTON—"It is far worse than Watergate," says Elliot Richardson, the former attorney general who stood up to President Richard Nixon during that Republican scandal. "For Christ's sake, this October Surprise business we are talking about is [built from] truly horrible things . . . I don't know whether it's true or not. [But] there are a number of elements in the situation that are hard to account for."

Convinced that freelance journalist Danny Casolaro, who claimed to have uncovered a sprawling conspiracy linking the October Surprise and the Iran-contra scandal to a contract dispute between the Justice Department and a software company named INSLAW, was murdered in a West Virginia hotel, Richardson has asked the Justice Department to open a federal investigation into his death. But even though Richardson, who is INSLAW's attorney, has made both informal and direct personal pleas to acting attorney general William P. Barr for a full investigation, he has so far received no reply.

And that's not the first time that Richardson has been ignored by the Justice Department. Richardson wrote former attorney general Dick Thornberg in 1989 seeking an independent counsel in the INSLAW case; Thornberg never replied.

"I have never understood why . . . I mean, I was attorney general when Thornberg was a U.S. attorney. I appointed him chairman of a committee of U.S. attorneys, newly formed for the first time. I am a responsible former public official. I am not a wild-eyed nut."

So why didn't Thornberg respond to Richardson's letter? "You tell me. I would have responded to a responsible lawyer whether I ever met him or not." When asked if he thought the lack of a reply was insulting, Richardson said, "Certainly. Let's say it's not easily explained, OK?"

"The key thing about the death of Casolaro," Richardson continues, is that "although others were seeking to delineate . . . the 'octopus' [Casolaro's term for the wide-ranging conspiracy], he was the only one who told people who have no reason to misrepresent what he said that he had hard evidence, and was on the point of getting conclusive evidence. No one else made that claim. . . . He told four people, one at a time. The idea that he committed suicide with a razor blade under these circumstances seems highly implausible."

The investigation of Casolaro's death is still in the hands of the West Virginia authorities, who ruled it a likely suicide August 14. But it is already apparent that there is more than meets the eye to both the freelancer's "suicide" and the INSLAW case—and that sealing a 10-year-old cover-up isn't necessarily the only conceivable motive.

"This is a case in which any one of a number of potential defendants would have every reason to commit murder," says Richardson, "and in which the litigants have every reason to fear for their lives."

THE ORIGINS of the dispute over INSLAW, at least, are clearly understood. A former analyst with the National Security Agency and onetime contract employee of the CIA (where he prepared analyses of the foreign press), Bill Hamilton founded INSLAW in the early 1970s with his wife, Nancy. INSLAW was initially begun with grants from the Justice Department's Law Enforcement Assistance Administration; when Congress killed LEAA in 1980, the Hamiltons transformed INSLAW into a for-profit firm and continued to do business with Justice on a contract basis. Today, they are business partners with IBM.

By that time they had developed a software package called PROMIS that enabled law enforcement agencies to keep up-to-the-minute tabs on cases as they wound their way through the courts. It was designed for district attorneys in large cities, and had been installed on a pilot basis in two large U.S. attorneys' offices. With PROMIS, a U.S. attorney could sit before a computer screen and quickly find where any particular case stood, locate defendants and witnesses, track every motion, and even follow an ongoing investigation from its history down to the detective's most recent report. As computers became smaller, increasing efficiency and speed, the Hamiltons modified PROMIS, adding new functions and making it speedier and more flexible.

In 1982, INSLAW signed a \$10 million contract to install PROMIS in U.S. attorney offices across the country. At first Justice balked at paying fees

for what it argued was public domain software that had been developed under LEAA grants, but on advice of its own counsel, the department ultimately agreed to pay for the proprietary, enhanced version of PROMIS—whenever it was used.

Despite this agreement, the Justice Department's contracting officer steadfastly refused to pay INSLAW for the use of PROMIS, and by 1985 it had withheld nearly \$2 million from the Hamiltons. At that point INSLAW sought refuge in Chapter 11 bankruptcy and proceeded to sue Justice. In January 1988 the Bankruptcy Court awarded INSLAW \$6.8 million in damages plus counsel fees. Justice appealed that ruling, but in November 1989 the federal district court for the District of Columbia upheld the Bankruptcy Court's findings. Nevertheless, last spring the U.S. Court of Appeals ruled that the case had been tried in the wrong courts for the past several years, and must be retried; INSLAW is appealing to the Supreme Court, and if that fails, the Hamiltons will file a new, expanded suit.

While on this level the INSLAW affair appears to be a fairly typical contract dispute, in fact the case has been marked from the beginning with extraordinary behind-the-scenes politicking to wrest control of PROMIS from INSLAW. First, the Justice Department refused to recognize INSLAW as the rightful owner of the software it had developed; then the chair of Hadron Inc., a software outfit controlled by a friend of then-attorney general Edwin Meese, tried to buy the program from INSLAW. When Hamilton refused, Hadron's chair told him, "We have ways of making you sell."

Next, a venture capital firm, citing high-level Reagan administration connections, tried to inveigle the Hamiltons into signing over their voting rights on INSLAW stock. When the Justice Department's refusal to pay fees forced the company into Chapter 11, Justice officials didn't let up. They tried to force INSLAW into a Chapter 7 liquidation, which would have finished off the company completely. And when that didn't work, Justice officials encouraged a Pennsylvania computer company to launch its own hostile takeover bid.

Why such a fuss over computer software? In its court filings INSLAW alleges it is a victim of a conspiracy by Meese and his friends, who stole PROMIS to make money. Chief among Meese's cronies in the affair was Earl Brian, currently chair of embattled Infotech, Inc., which has large holdings in the bankrupt Financial News Network and United Press International—not to mention Hadron, the company that tried to buy PROMIS from INSLAW.

A combat surgeon in Vietnam, Brian was appointed secretary of California's Department of Health and Welfare in 1970 by then-governor Ronald Reagan. When Reagan moved to the White House—with Meese as his counsel—Brian served as the unpaid chair of a task force on health care cost reduction; Brian also served along with Meese as a member of a "pro-competition" committee in the White House. Edwin Thomas, another longtime Meese associate who had worked for Meese at the University of San Diego Law School and a member of Reagan's California cabinet, joined them on the Reagan transition team in 1980. The relationships between these three Californians first created a stir when Meese went before the Senate to be confirmed as attorney general in 1984.

An investigation by an independent counsel revealed a suspicious series of events. Early in 1981, Thomas lent Mrs. Ursula Meese \$15,000; at the time, Thomas was working directly for Meese as assistant counsel to the president. Before he made the loan, Thomas discussed Brian's Infotech (then operating under the name of Biotech Capital Corp.) with Mrs. Meese, and despite the fact that the Meeses were hard up for cash, she promptly took the money Thomas had loaned her and bought Biotech shares for her two children. Meese, who knew about the loan, did not report it on his financial disclosure forms.

Then, in July 1981, Brian loaned Thomas \$100,000. In addition, Thomas made calls to the Small Business Administration on behalf of a loan application from a Biotech subsidiary; the SBA eventually granted the loan. No wrongdoing was ever adjudged in any of this.

In its court briefs, INSLAW cites the assertions of various Justice officials connecting Meese, Brian, and Hadron, Inc., with the harassment of the Hamiltons' company. One whistleblower even called a senator to warn that, once Meese was made attorney general, he would award a friend with a "massive sweetheart contract" to install PROMIS in every litigation office of the Justice Department. After Meese was named AG, the chief investigator of the Senate Judiciary Committee, Ronald LeGrand, called Hamilton to pass on a

warning. He said that an unnamed senior official at Justice—whom LeGrand had known for years and trusted—had told LeGrand that the INSLAW case was "a lot dirtier for the Department of Justice than Watergate was, both in its breadth and its depth."

Up to this point, the INSLAW case still appears to be little more than a contract dispute with overtones of political corruption. But it doesn't stop there. As it turns out, there is considerable reason to suspect that while PROMIS may have been meant as a plum for one of Meese's cronies, it may also have played a role in an international espionage operation conducted by the CIA. And that's where the case really begins to get interesting.

ACCORDING TO THE HAMILTONS, a high government official, nearly speechless in his disgust, dropped by to tell them he had discovered that the theft of PROMIS had actually begun with the military. The British and U.S. navies needed a software program to conduct their zone defense against Soviet submarines in the North Atlantic, according to their informant. All Soviet subs leave from the same base near the Arctic circle, where they are easily detected, and have to run a gauntlet of listening devices in the deep waters between Iceland and Ireland before they break out into the open ocean. With the help of painstakingly accurate maps of the seafloor, the Russians have long been able to run through the intricate twists and turns of the deep marine trenches near Iceland at such speeds that they are usually able to lose their trackers. American and British subs needed a computer program that would allow them to follow every move of a Soviet sub and project its course and position; they tried everything available, but no software could follow all the variables quickly enough. Out of curiosity, they ran a test with PROMIS—and it worked. So they simply appropriated the program.

That, according to the Hamiltons' source, is how the theft got started. But there is actually much more evidence to support another theory of how and why the government started playing games with PROMIS.

Several different former intelligence agents have told the Hamiltons about various foreign countries that suddenly started using versions of PROMIS in the mid-1980s, ranging from Iraq to South Korea. These governments could use the program not only to track criminals but for complex covert operations and to identify "undesirables"—like revolutionaries. They suggest that the CIA obtained copies of the PROMIS software from the Justice Department and sold it to various police and intelligence agencies overseas; once installed, PROMIS actually became a high-tech bug, storing secrets of the unsuspecting host government, including intimate details of its internal police operations and intelligence service. American agencies could then penetrate and read the software.

"It was highly adaptable to tracking information of the kind that intelligence agencies like to track," Richardson says, "and the CIA adapted it to that purpose. Then, relying on Earl Brian, [they] started peddling it to foreign intelligence agencies."

The Hamiltons got the barest inkling of the intelligence implications for the first time last year. On November 5 their daughter Patty, who is a regional sales manager for INSLAW, got a call from the Department of Communications in the Canadian federal government. They told her that PROMIS was widely used in Canada—it had been installed in 900 different locations—and he wondered whether she would help fill out a questionnaire about using the software in both English and French.

This was all news to Patty, since INSLAW had never sold PROMIS to anyone in Canada. Playing dumb, the Hamiltons filled out the questionnaire. Then, on a business trip to Montreal in January, Patty dropped in on the Department of Communications for a chat. She asked the officials about the questionnaire and where PROMIS was being used. The Canadians checked their codes and told her it was on line with the Royal Canadian Mounted Police and with an agency they did not know.

Then Patty made an unannounced visit to the responsible official at Mountie HQ, who promptly denied all knowledge of PROMIS, and dismissed the Department of Communications as a bunch of "kooks." When Patty returned to Washington, Bill Hamilton tried to find out where the Canadians had gotten PROMIS, but suddenly everything had changed: The Department of Communications begged forgiveness for their error, saying it wasn't the Mounties at all but the international development office that was using PROMIS. When Hamilton told them the software had never been sold to anybody in Canada, they backtracked, apologized once again, and said that, in fact, no one was using it.

That's when Michael J. Riconosciuto, a researcher and self-described arms expert, came forward. Riconosciuto had first called INSLAW out of the blue in the spring of 1990, and he has continued to do so from pay phones around the West. He claimed to have worked as research director for a joint

venture between the Wackenhut Corporation, the big security outfit, and the Cabazon Indians, who have a reservation at Indio, California. The joint venture supposedly manufactured military material, such things as night-vision goggles, machine guns, fuel air explosives, and biological and chemical weapons for foreign governments, including those in the Middle East and Central America, and for covert operations of one sort or another. The contras were to be a prime market. The Cabazon tribe enjoyed quasi-sovereign status, allowing the arms manufacturers to operate outside stringent restrictions on the manufacture of armaments in the rest of the United States. As an added sweetener, the Indians could take advantage of minority set-aside contracts.

Riconosciuto claims, in an affidavit given to INSLAW, to have made modifications on PROMIS software provided him by Earl Brian for both the Canadian Mounties and the Canadian Security and Intelligence Service. Brian, he says, was the man who had sold the software to the Canadians. Riconosciuto is currently in prison in Washington state awaiting trial on drug charges, and his statement would be of dubious value—except that many of the details do check out independently. For one thing, the San Francisco Chronicle ran a series of articles on the Cabazon Indians last week that seemed to bear out the claims about weapons manufacturing on the reservation.

BY THIS TIME the Hamiltons were pretty sure PROMIS had been pirated abroad, and they began to hear stories of PROMIS cropping up in all sorts of foreign countries. Ari Ben-Menashe, a former Israeli intelligence asset, provided an affidavit that says that in December 1982 Rafael Bitan, the Israeli government's counterterrorism adviser, told him he had obtained PROMIS from Earl Brian and Robert McFarlane, then Reagan's national security adviser. In 1987 Ben-Menashe said he was at a meeting in Israel where Brian said he owned PROMIS. Ben-Menashe said he had been assigned to stop a sale of chemical weapons by Chilean arms dealer Carlos Cardoen to Iraq. "Mr. Carlos Cardoen . . . stated to me that he brokered a deal between Dr. Brian and a representative of Iraqi . . . military intelligence for the use of PROMIS," he recalled.

Richard Babayan, an Iranian arms dealer, said in an affidavit that during 1987 he met a member of Iraqi intelligence who told him Iraq had acquired PROMIS from Brian on the recommendation of the Libyan government. He went on to say he was told by an official of the Korea Development Corporation, which he said was a front for the Korean CIA that Brian had sold PROMIS to the Koreans as well.

The Hamiltons also continue to get tips about PROMIS popping up all over the United States. Although it formally denies using the program, high Justice Department officials have told the Hamiltons that FBI officials had admitted the software in their field offices is a renamed version of PROMIS.

The possibility of PROMIS being employed as an espionage tool is given further credence by the curiously disinterested attitude of government in getting to the bottom of the INSLAW mess. INSLAW itself has been unable to obtain subpoena power from the courts except for a brief period last spring, but those subpoenas were frustrated when the Appeals court threw out the case just as the deadline for Justice to turn over the documents approached. Senator Sam Nunn's Senate Permanent Investigations Subcommittee conducted an investigation, but received little cooperation from Justice. Texas congressman Jack Brooks's judiciary committee has been looking into the affair for the last two years, but only issued subpoenas last July. Brooks is believed to have interviewed Meese and his friends. According to the Hamiltons, the files of the Justice Department's chief litigating attorney on the case have disappeared.

UNLIKE THE MURKY October Surprise scandal or the compromised congressional investigations into Iran-contra, the facts in the INSLAW case are clear. Emerging from a low-level bankruptcy court, they paint a virtually indisputable case of corporate theft, political corruption, and the very real possibility of international espionage. The issue goes straight to the White House and involves officials at the highest levels of the Justice Department in what appears to be a deliberate campaign of intimidation, theft, and corruption. By now, that ought to have led to a serious congressional investigation.

Unlike Iran-contra, no one in this case has pleaded national security as a defense, though that's likely before it's over. But in a sense, it is already too late for that. The facts are too well-delineated. If the opinions of two judges are correct, this case ought to result in criminal indictments of past and present Justice officials.

As Elliot Richardson says, "Why in the world would this one group of informers ever have come together and cooked up all this stuff? How did they keep it consistent from day to day among themselves as to who told what to whom? There is a hell of a load of stuff they've told to various people, including staffers, journalists, the Hamiltons, me. The picture they paint is relatively coherent and consistent . . . and then you add the stonewalling by the Department of Justice. I have never understood why."

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# Software Pirates

By Joel Bleifuss

The following article appeared in the May 29 through June 11, 1991 issue of "In These Times"

For the past five years a Washington, D.C.-based computer-software company has been trying to bring the Justice Department to justice. In an ongoing legal battle that pits Inslaw Corp. against its powerful one-time main customer, the software company charges that the U.S. Department of Justice robbed it of its program, conspired to send the company into bankruptcy and then initiated a coverup.

At issue is a wizard of a program that enables any bureaucracy to track cases—and the people involved in them—as they wend their way through the judicial system. Heralded as a breakthrough for the criminal-justice system, the Inslaw software was a potential gold mine. It had sales appeal to both law-enforcement agencies and their shadier counterparts in the international intelligence community.

In 1987, Judge George Bason, the federal bankruptcy judge for Washington, D.C., ruled that "the Department of Justice took, converted, stole" the Inslaw software "by trickery, fraud and deceit." The case is still in the courts.

At first glance, the Inslaw affair appears to be yet another of the double deals that became the hallmark of White House politics in the '80s—one more in a string of scandals to emerge from the shadows of the Reagan and Bush administrations.

But Inslaw is different. In the spring of 1988, a Justice Department official contacted Ronald LeGrand, then-chief investigator of the Senate Judiciary Committee, asking him to give Inslaw's owners this message: "The Inslaw case is a lot dirtier for the Department of Justice than Watergate was, both in its breadth and its depth."

Inslaw's owners now believe the Justice Department stole their software for three possible reasons: to reward businessman and arms dealer Earl W. Brian with a profitable product for his part in the alleged arms-for-hostages deal between the 1980 Reagan-Bush campaign team and representatives of Iran's Ayatollah Ruhollah Khomeini; to provide off-the-book financing for the administration's covert operations; and to provide the U.S. National Security Agency with a computerized Trojan horse to market to the international intelligence community.

**HE'S GOT PROMIS:** In January 1974, the non-profit Institute for Law and Social Research, known as Inslaw, received the first in a series of federal contracts to design a computer program that the Justice Department could use to track cases through the entire U.S. court system.

Bill Hamilton, company founder and president, is the computer wiz who developed the statistical database that is at the center of the controversy. It is known as Prosecutor's Management Information System (Promis). Promis was designed to help federal prosecutors maintain a running record of upcoming deadlines and keep track of reasons why cases were won, lost or dismissed.

But what makes Promis unique is the program's adaptability, embodied in a special subsystem that, among other things, automatically translates the terminology from one judicial jurisdiction to another. For example, Promis can integrate information from court proceedings in different states—to Promis, Chicago's "cases" are the same as Los Angeles' "doctors."

The Promis potential, however, is not limited to the court system. Says Hamilton, "Because of that subsystem that allows it to change the codes, you can change Promis so that it tracks clients for social services." Or it can track criminals for police departments. In fact, the Promis system makes it easy for any bureaucracy to monitor a large number of individuals for whatever reason.

One U.S. official who saw promise in Promis was Edwin Meese, then-counselor to President Reagan who later became U.S. attorney general. In April 1981, Meese told a luncheon gathering of law-enforcement officials, "What the Promis program and what Inslaw have done provides one of the greatest opportunities for success in the future, because it has to do with good planning and good use of management information."

**QUID PRO QUOS?** But the administration had plans of its own and, according to Hamilton, was already conspiring to appropriate his invention.

In May of that year, Donald Santarelli, an Inslaw lawyer who had been a presidential appointee in the Nixon Justice Department, attended a White House meeting with Meese. Hamilton, in a court affidavit, said Santarelli told him that during that meeting Santarelli was warned that although the Reagan Justice Department planned to install Promis in all 94 U.S. attorneys' offices and in all of the department's investigative agencies, Inslaw "should not expect to automatically receive the contract [to install the software]." Hamilton says this exchange indicates that the White House, and not the Justice Department, was calling the shots, and that therefore the Promis procurement was a political deal.

According to Hamilton's affidavit, the stage was set for the software company's takeover in the summer of 1981—the year that Inslaw became a for-profit company—when the Justice Department removed two key department officials involved in the Promis procurement: Patricia Goodrich, then project manager at the department for Promis, and Betty Thomas, then contracting officer in charge of purchasing the Promis software and administering the resulting contract.

Goodrich's position was filled by C. Madison Brewer, a former Inslaw employee whom Hamilton had fired in 1976. Thomas—who, according to Hamilton's affidavit, was told to step aside or be charged with "non-feasance"—was replaced by Peter Videnieks, formerly with the U.S. Customs Service.

Before moving over to the Justice Department and taking charge of the Promis program in September 1981, Videnieks had administered three contracts between the Customs Service and Hadron, Inc., a company that was in the business of integrating information-managing systems like Promis into federal agencies. Hadron is a subsidiary

of Biotech Capital Corp., which was owned by Earl Brian. (In the fall of 1987, Biotech Capital was renamed Infotechnology, Inc., a Brian-owned holding company that controls Financial News Network and United Press International.)

In the early '70s, Brian served as California's secretary of health and welfare under then-Gov. Reagan. He left public service in 1974 to deal arms to the Shah's Iran.

In April of this year, former Israeli intelligence officer Ari Ben-Menashe told "In These Times" that Brian was one of two 1980 Reagan-Bush campaign representatives who in early 1980 approached Iran about striking a deal to have the 52 American hostages seized by Iranian students in November 1979 held until after the 1980 U.S. presidential election. (See "In These Times," April 17.)

Ben-Menashe claims that the second U.S. campaign representative was Robert McFarlane, who in 1983 became Reagan's national security adviser. Both Brian and McFarlane, according to Ben-Menashe, "worked very closely" with Robert Gates—a man who at the time was an aide to then-President Jimmy Carter's CIA Director Stansfield Turner and whom Bush has now nominated to replace CIA Director William Webster.

It has also been reported that Brian and Gates participated in negotiations in Paris in October 1980 where the alleged arms-for-hostages deal was finalized.

For a while, Inslaw's business went smoothly. In March 1982 the company won a \$10 million, three-year contract with the Justice Department to install Promis in the nation's 20 largest U.S. attorneys' offices. But the department disputed the validity of several Inslaw bills and on technical grounds held back \$2 million in payments to the company. In February 1985, the company went bankrupt and filed for protection from its creditors under Chapter 11. Inslaw, with financing from IBM, emerged from Chapter 11 reorganization in late 1988 as a viable company.

Inslaw claims, and two federal judges have agreed, that the Justice Department stole the software, tried to push Inslaw into bankruptcy and thus force a Promis fire sale, and attempted to acquire Inslaw by takeover, fraudulently and otherwise.

**INSLAW ONSLAUGHT:** In 1986, Inslaw took its case to a federal bankruptcy court and filed a suit against the Justice Department. On Sept. 28, 1987, federal bankruptcy judge Bason ruled from the bench in Inslaw's favor, finding, "The failure [of the Justice Department] even to begin to investigate [these charges] is outrageous and indefensible and constitutes an institutional decision by the Department of Justice at the highest level simply to ignore charges of impropriety. . . . It is obvious to me . . . that the entire Department of Justice was in a circle-the-wagon defensive attitude. . . . The Department of Justice took, converted, stole Inslaw's enhanced Promis by trickery, fraud and deceit." Bason further wrote that the government did not attempt to settle the dispute honorably with Inslaw but "engaged in an outrageous, deceitful, fraudulent game of cat and mouse demonstrating contempt for the law and any principle of fair dealing."

In February 1988, Bason awarded Inslaw \$6.8 million in license fees for the 42 copies of the company's software that he determined had been stolen. He also ordered the Justice Department to pay Inslaw \$1.2 million in legal fees. That was the last month Bason served as a judge. He was denied reappointment without explanation by the U.S. Court of Appeals in Washington, D.C.

(On Dec. 5, 1990, Bason testified before the House Judiciary Committee: "I have come to believe that my non-reappointment as bankruptcy judge was the result of improper influence from within the Justice Department which the current appointment process failed to prevent. The judicial opinions that I rendered reflected my sense of moral outrage that, as the evidence showed and as I held, the Justice Department stole Inslaw's valuable property and tried to drive Inslaw out of business. . . . I don't have knowledge as to how it might have been done, but we do have a dead body and do have a strong motive. . . . Such retaliation is the mark of a police state, not of democratic America.")

Bason was the first of four bankruptcy judges to handle the case. The other three "recused" themselves without explanation.

The Justice Department immediately appealed Bason's 1988 final decision to the U.S. District Court in Washington, D.C., and in November 1989, U.S. District Judge William B. Bryant affirmed the lower court's decision, ruling that it was "strikingly apparent . . . that Inslaw performed its contract in a hostile environment that extended from the higher echelons of the Justice Department. . . . The government acted willfully and fraudulently to obtain property that it was not entitled to under contract."

The Justice Department then appealed Bryant's ruling, this time to the U.S. Circuit Court of Appeals in Washington, D.C. On May 7 of this year, a three-judge panel on the Court of Appeals overturned the previous courts' decisions, saying the federal bankruptcy court lacked the jurisdiction to hear the case.

Hamilton says Inslaw will ask for a reconsideration of that ruling by all 11 judges on Washington, D.C.'s Circuit Court of Appeals. If necessary, he says, the company will take its case to the U.S. Supreme Court. In addition, Hamilton says, Inslaw will likely file a new suit against the Justice Department in federal court.

**SPECIAL PROSECUTOR?** In December 1989, Inslaw attorney Elliot Richardson submitted a writ of mandamus to the U.S. District Court in Washington, D.C., calling for a formal government investigation. Coming from Richardson, this writ carried special weight. Richardson is the former U.S. attorney general who at the start of the Watergate investigation resigned his post rather than fire Special Prosecutor Archibald Cox as President Richard Nixon had ordered.

Richardson wants the court to order U.S. Attorney General Dick Thornburgh to appoint a prosecutor not already tainted by the Inslaw scandal to conduct a fair and thorough investigation of the government misconduct.

"I've long believed there should be a special prosecutor [in this case]," Richardson told "In These Times" in a recent interview. "I have never been able to understand why they have so strenuously resisted any suggestion that they should seek to correct what two courts have found to be seriously wrong and what additional evidence has reinforced or extended."

In his writ, Richardson wrote, in part: "The combination of high-level hostility and lower-level vindictiveness does not sufficiently account for the persistence and tenacity of the attempts to wrest control of Promis from Inslaw. . . . Attempts to acquire control of Promis were linked by a conspiracy among friends of Attorney General Meese to take advantage of their relationship with him for the purpose of obtaining a lucrative contract for the automation of the Department's litigation divisions."

Richardson went on to spell out the links between Meese and businessman Earl Brian, noting, for example, that Hadron Inc., a subsidiary of Brian's Biotech Capital Corp., launched an unsuccessful bid to take over Inslaw. Richardson wrote that when Inslaw President Hamilton refused the offer, the chairman of Hadron told Hamilton, "We have ways of making you sell." Subsequently, Richardson wrote, Justice Department officials "attempted to push Inslaw into liquidation" and, failing that, "encouraged a Pennsylvania-based computer-services company to launch a hostile takeover bid for Inslaw."

Says Hamilton, "It can be inferred that the ringleader of the Reagan-Bush supporters who is supposed to get [the Promis software] is Earl Brian."

**PROMIS TO ISRAEL:** In a March 21 affidavit on behalf of Inslaw, Ari Ben-Menashe, the former Israeli intelligence official, said that as part of his work with the Israel Defense Forces (IDF)/Military Intelligence External Relations Department, he was in contact with Rafael Eitan, the anti-terrorism adviser to then-Prime Minister Menachem Begin.

The affidavit said, in reference to a meeting with Eitan on December 1982, "Eitan told me that he had received earlier that year in the U.S., from Earl W. Brian and Robert McFarlane, Promis computer software for the limited use of the IDF's Signals Intelligence Unit for intelligence purposes only." (It was at this meeting that Ben-Menashe claimed Eitan had told him that Israel "had special [paid] relationships with both Brian and McFarlane." See "The First Stone," page 4.)

In an April 4 affidavit, Ben-Menashe shed light on Promis' potential uses in the field of espionage. He explained that during the above-mentioned meeting Eitan boasted that he had earlier convinced Brian to sell Promis to Jordan's military intelligence service. Ben-Menashe said that he had already known Jordan was using the software and that "the sale of Promis to Jordanian military intelligence and its use by Jordanian military intelligence were extremely important to Israeli intelligence and were elements of an Israeli intelligence operation against the government of Jordan."

In a February 17 affidavit, Ben-Menashe alleged that in 1987 Brian sold Promis to Israel for internal use. According to Ben-Menashe, he met Brian at a 1987 meeting in External Relations Department headquarters and at that meeting Brian explained how the Promis software could be successfully integrated into an intelligence agency.

"Brian stated during his presentation that all U.S. intelligence agencies, including the Defense Intelligence Agency, the National Security Agency and the U.S. Department of Justice, were then using the Promis computer software," said Ben-Menashe in his affidavit. "Brian also stated that he, a private U.S. businessman, had acquired the property rights to the Promis computer software and allowed U.S. and Israeli intelligence communities to use the Promis computer software as early as 1982 for intelligence purposes only."

**BETWEEN IRAQ AND A SOFTWARE:** Ben-Menashe also claimed knowledge of the alleged sale in 1987 or 1988 of the Promis software by Brian to Iraqi military intelligence. In an affidavit, Ben-Menashe said he learned of the alleged exchange while working in Chile for Israeli Prime Minister Yitzhak Shamir's office as a special consultant for intelligence affairs. He said, "In January 1989, Carlos Cardoen . . . of Cardoen Industries . . . stated to me that he brokered a deal between Dr. Brian, holder of property rights to the Promis computer software, and a representative of Iraqi military intelligence for the use of the Promis computer software by Iraqi military intelligence."

Another person claiming knowledge of the alleged sale of Promis software to Iraq is Richard H. Babayan, an Iranian arms dealer now imprisoned in Palm Beach County jail awaiting trial on securities fraud. In a March 22 affidavit for Inslaw, Babayan said he attended a meeting in Baghdad in the fall of 1987 with Abu Mohammed, whom he described as "a senior ranking official of Entozamat, an intelligence and security organ of the government of Iraq and a person with whom I had extensive dealings over the previous three years."

Babayan said Mohammed told him that "Dr. Earl W. Brian of the U.S. had recently completed a sales presentation to the government of Iraq regarding the Promis computer software. Furthermore, it is my understanding that others present at Dr. Brian's Promis sales presentation were [U.S. Army] Gen. Richard Secord."

Babayan also said that he "attended a meeting in Santiago, Chile, in December 1988, with Carlos Cardoen of Cardoen Industries." Babayan said that Cardoen told him he had "just completed a meeting in Santiago [with] Brian of the U.S. and Robert Gates, senior American intelligence and national-security official."

**WORLDWIDE PROMIS:** Inslaw President Bill Hamilton says his company has information indicating that its software has been illegally sold to South Korea, Libya, Jordan, Great Britain, Germany, France, Australia, Thailand, Japan, Chile, Guatemala, Brazil and Canada.

In the case of Canada, the company has documentation. On January 8 of this year, "Communications Canada—The Canadian Workplace Automation Research Centre"

(CWARC) wrote Inslaw a letter that read, in part, "CWARC is aware that your company's software products are being used in federal departments and agencies. This is why we would appreciate your help in obtaining accurate information on these products. Your cooperation in providing the information requested will allow us to build a product file that can be accessed by those interested in acquiring new software and updating their office systems." Inslaw, however, never sold Promis to Canada.

In a court affidavit, Patricia Hamilton, daughter of Bill Hamilton, swore that she was told by Dennis LeChance of Canada's Department of Communications that the Royal Canadian Mounted Police are operating Inslaw's Promis software in 900 locations in Canada.

**CURIOUSER AND CURIOUSER:** On March 21 of this year, Michael Riconosciuto, who has been described in the media as a weapons-systems designer, software specialist and computerized money launderer, explained in a sworn affidavit for Inslaw that one of his jobs when he was director of research for the Wackenhut Corp. of Coral Gables, Fla., was to adapt Promis software.

He said, "Among the frequent visitors [to Wackenhut] were Peter Videniaks of the U.S. Department of Justice [the Promis contracting officer] and a close associate of Videniaks by the name of Earl W. Brian. Brian is a private businessman who lives in Maryland and who has maintained close business ties with the U.S. intelligence community for many years." According to Riconosciuto, in 1983-84 the Justice Department asked him to develop and modify the Promis software. He claimed in the affidavit that the software he worked with was given to him by Brian, who, in turn, got it from Videniaks.

Riconosciuto said in the affidavit that he modified the software for "the implementation of Promis in law enforcement and intelligence agencies worldwide. . . . Some of the modifications that I made were specifically designed to facilitate the implementation of Promis in . . . the Royal Canadian Mounted Police and the Canadian Security and Intelligence Service." He also alleged that Brian "was spearheading the plan for this world-wide use of the Promis computer software" and alleged that Brian had sold Promis to Canada. According to Hamilton, Riconosciuto told him one year ago of Brian's role in the alleged 1980 arms-for-hostages deal.

Riconosciuto further said in his affidavit that last February, Videniaks called him and tried to persuade him "not to cooperate with an independent [House Judiciary Committee] investigation of the government's piracy of Inslaw's proprietary Promis software." He alleged that Videniaks outlined a variety of rewards and punishments that awaited him, depending on Riconosciuto's course of action.

Seven days after swearing this affidavit and before testifying to House Judiciary Committee investigators, Riconosciuto was arrested and charged with selling more than four grams of metamphetamine, a potent speed. Prior to his arrest, Riconosciuto had claimed that he had tape-recorded the alleged threats from Videniaks. He now claims that two of three copies of that tape were seized when he was arrested. After his arrest, committee investigators interviewed Riconosciuto from jail. He is currently awaiting trial in U.S. District Court in Seattle without bail.

**BLIND JUSTICE?** The Justice Department could appoint, as Elliot Richardson has suggested, an independent prosecutor to investigate the Inslaw affair. But judging from the department's past history, such action is unlikely.

The House Judiciary Committee has been investigating the Inslaw case since August 1989, but it has yet to subpoena any evidence.

"I think Congress should issue subpoenas compelling the production of evidence that various informants on many occasions said they were about to produce," Richardson says. "These informants keep promising to produce evidence. The only way to produce that evidence is to subpoena it."

The committee, however, has used the threat of subpoenas to pressure the Justice Department to release records pertinent to the case.

In late April, the Judiciary Committee convinced Attorney General Thornburgh to release more than 200 pages of documents relating to the Inslaw case. For more than a year Thornburgh, invoking attorney-client privilege, had claimed that the documents were being withheld because of Inslaw's ongoing legal battle. The attorney general relented only after Judiciary Committee Chairman Jack Brooks (D-TX) announced last December that he would "take whatever steps necessary"—such as subpoenaing Thornburgh—to ensure that the committee obtained the requested documents. Brooks further suggested that the Justice Department's reticence "could be described as coverup."

**ABOVE THE LAW:** Two federal judges have found that the Justice Department stole Inslaw's software. But if the government takes the official position that this act of piracy was carried out in the name of national security—as part of a National Security Agency (NSA) scheme to infiltrate the files of foreign intelligence services—then the Justice Department could block further judicial scrutiny.

When Congress established the NSA in 1959, it put the agency above the law, decreeing, "Nothing in this act or any other law . . . shall be construed to require the disclosure of the organization or any function of the National Security Agency [or] of any information with respect to the activities thereof."

The "St. Louis Post-Dispatch," which has assigned reporter Phil Linsalata to cover the alleged Inslaw and 1980 scandals, has called for a congressional inquiry to "alert the public to the pervasiveness of underground government, both legal and illegal." As the May 13 editorial put it, "If a subterranean network of operatives [like that exposed in the Iran-contra investigation] still exists, carrying out secret government policies, the very survival of a democratic political system based on law requires that it be exposed to the light. [The Inslaw case] may reveal part of an illegal policy that was put in place even before the Reagan administration had taken office. That is why Congress must try to find out the truth behind [allegations that the 1980 Reagan-Bush campaign arranged a secret arms-for-hostages deal with Iran]."

Only when these allegations are brought to light can justice be served.

# Federal Corruption

By Harry V. Martin

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## FEDERAL CORRUPTION

By Harry V. Martin

First of a New Series

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March 12, 1991

When the U.S. Government sent Anthony Souza to Northern California to investigate what government officials called "the dirtiest system" in the United States, it was aware that the entire bankruptcy system is unraveling. Former LeadVest Trustee Charles Duck was the main focal point of Souza's investigation—even though a local bankruptcy judge called him the most "honest man" he had ever known. Duck's ties to bankruptcy judges throughout the Bay Area is providing a picture of intense corruption going deep inside the law enforcement agencies. Even Souza admits privately that his hands are tied.

There has been one known murder in Northern California that has strong possible links to the bankruptcy system. There have been several more in Texas. This series will focus on different incidents from various parts of the country.

One of the most bizarre cases of corruption in the bankruptcy system involves a small Washington-based computer software firm called INSLAW. In 1982 the firm signed a three year contract for \$10 million with the U.S. Department of Justice. The software program INSLAW developed was a case-management computer program called PROMIS. The software, which was developed by Bill Hamilton, enabled the U.S. attorneys to keep track of information on cases, witnesses and defendants, and to manage their caseloads more effectively.

Though the U.S. Attorney's Office placed the PROMIS program into operation in several of its offices, it refused to pay Hamilton. Subsequently Hamilton was forced into the bankruptcy court. Former U.S. Attorney General Elliot Richardson, representing Hamilton, advised him to sue the Justice Department for stealing his software.

Anthony Pasciuto, who was the deputy director of the Executive Office for U.S. Trustees, which oversees bankruptcy estates on behalf of the court, had stated that the Justice Department was improperly applying pressure on his office to convert INSLAW's Chapter 11 reorganization into a Chapter 7 liquidation, which would mean that all company assets, including the rights to PROMIS would be sold at auction.

U.S. Trustee Cornelius Blackshear corroborated Pasciuto's story. Two days after he was visited by Justice Department officials, Blackshear issued a sworn affidavit recanting his earlier testimony.

The Justice Department recommended that Pasciuto be fired. The memo seeking his dismissal reads "... but for Mr. Pasciuto's highly irresponsible actions, the Department would be in a much better litigation posture than it presently finds itself."

Federal Bankruptcy Judge George F. Bason, Jr., ruled in 1987 that the Justice Department had acted illegally in trying to put INSLAW out of business. Bason sent Edwin Meese a letter recommending that he designate an appropriate outside official to review the dispute because of the prima facie evidence of perjury by Justice Department officials. Meese did not respond.

Later that year after nearly three weeks of trial, Bason ruled in favor of INSLAW in its suit against the Justice Department. "The department (of Justice) took, converted, stole INSLAW's software by trickery, fraud and deceit," the judge stated, adding, "the Justice Department engaged in an intricate, deceitful, fraudulent game of cat and mouse, demonstrating contempt for both the law and any principle of fair dealing." Judge Bason ordered the Justice Department to pay INSLAW \$6.8 million. Bason's verdict was upheld on appeal by U.S. District Court Judge William B. Bryant. Three months after Bason's ruling, he was denied re-appointment to the bankruptcy court.

Hamilton's trouble began when a friend of Meese attempted to buy out INSLAW, but Hamilton turned him down. In a court document, the potential buyer is quoted as saying, "We have ways of making you sell." It was after that the trouble for INSLAW began.

The Senate Permanent Subcommittee on Investigations, chaired by Senator Sam Nunn, began an investigation into the INSLAW case. Once the inquiry got under way, the Senate Judiciary Committee's chief investigator, Ronald LeGrand, received a phone call from an unnamed senior officer at the Justice Department—a person LeGrand had known for years. The caller told LeGrand that the "INSLAW case was a lot dirtier for the Department of Justice than Watergate had been, both in its breadth and its depth."

The Nunn Committee completed its investigation and published its report. It recognized that INSLAW has been a victim of the system and stated that "the Justice Department had been uncooperative, refusing to allow witnesses to testify without representatives of the litigation division being present to advise them. The effect of their presence was to intimidate those who might otherwise have cooperated with the investigation." The report states, "The staff learned through various channels of a number of Department employees who desired to speak to the Subcommittee, but who chose not to do so out of fear for their jobs."

Congressman Jack Brooks of Texas has opened a new investigation into the INSLAW case. Brooks is investigating allegations that Justice Department officials—including Meese—conspired to force INSLAW into bankruptcy in order to deliver the firm's software to a rival company. The rival firm, according to court records and law enforcement officials, was headed by Earl W. Brian, a former Cabinet officer under then California Governor Ronald Reagan and a longtime friend of several high-ranking Republican officials. Meese had accepted a \$15,000 interest-free loan from Brian. Meese's wife was an investor in the rival company. This is the same company that allegedly sought to buy INSLAW from Hamilton and made the alleged threat.

### What happened to PROMIS?

\* The program is in use throughout the nation and has been used also for military intelligence information. It has the ability to track troop movements.

\* An official of the Israeli government claims Brian sold the PROMIS program to Iraqi military intelligence at a meeting in Santiago, Chile. The software could have been used in the recent Persian Gulf War to track U.S. and allied troop

movements. Ari Ben-Menashe, a 12 year veteran of Israeli intelligence, made the statement in a sworn affidavit to the court.

\* The software is now operative with the CIA, the National Security Agency, the Defense Intelligence Agency, and the U.S. Department of Justice. Only the Justice Department is authorized by the court to use the software.

\* Brian now claims he acquired the property rights to the software and consummated a sale to Israel, although he had allowed its use by the Israeli intelligence forces for as many as five years before the actual sale.

In essence, a small company in Washington developed a very sensitive computer program which the Justice Department obtained. The courts ruled in favor of the developer and the judge who made the ruling was never re-appointed. The software was acquired by a friend of Meese and the Justice Department has never paid for its use and has allowed other agencies the right of its use.

The bankruptcy court was a tool—as it appears to be with other jurisdictions—to support the economic gain of a few. Charles Duck was not alone—as the record will prove.

## HOW THE JUSTICE DEPARTMENT USED THE BANKRUPTCY COURT

By Harry V. Martin

Second of a New Series

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March 15, 1991

The corruption of the bankruptcy system is endemic of a political patronage system with its roots going back to former U.S. Attorney Edwin Meese, according to many former employees of the Department of Justice. The INSLAW case—reported last week in the "Napa Sentinel"—is a microcosm of the entire system.

As a result of the INSLAW cases, many heads in the Justice Department were lopped off. When Judge George Bason, a bankruptcy court judge, refused to liquidate INSLAW, ruling instead that the Department of Justice used deceit, trickery and fraud, he was only one of four who were not re-appointed to their jobs. A total of 132 were re-appointed.

But to show the collusion of the Justice Department, when it removed Judge Bason from the bench after his ruling against them and for INSLAW, they had S. Martin Teel appointed to the bench to replace Bason. Who was Teel? He was a Department of Justice attorney who unsuccessfully argued the INSLAW case before Judge Bason.

Tony Pasciuto admitted that he was ordered to pressure the bankruptcy judge to rule against INSLAW. After being subpoenaed by INSLAW's attorney, Pasciuto was offered a long-awaited transfer by the Justice Department from Washington, D.C. to Albany, New York. Pasciuto bought a home in Albany and then changed his testimony. After the testimony was completed, the Justice Department canceled his transfer. Pasciuto had to commute from Albany to Washington.

Former Attorney General Elliot Richardson made a list of the baffling questions of why the Justice Department wanted INSLAW declared insolvent and why it wouldn't pay a \$6.8 million settlement to the small company. INSLAW received an offer to sell their company and they refused. The buyer informed the company that he had powerful political influence and "We have ways of making you sell." Within 90 days of that threat, the Justice Department commenced its attack on INSLAW.

The company that made the attempt to buy INSLAW had financial connections to Meese and some of Meese's cronies. When the battle ended, INSLAW was broke, an attorney, a Justice Department whistleblower and a judge were out to work, but INSLAW was saved by a corporate giant—IBM—who rescued the company virtually from the auction block.

The company that allegedly made the threat was Hadron. It has had brushes with the Security Exchange Commission, it has gone to the brink of being broke and one of its companies has been accused by the SEC of fraud and manipulation of stock prices, the company lost \$4.3 million in one year. It soon sank \$12 million in the red.

But once Meese became Attorney General, Hadron suddenly received lucrative Pentagon contracts, along with the Agency for International Development. The company was also awarded a \$40 million contract from the Justice Department, despite protests against the bidding process. One member of Hadron's board was Dr. Earl Brian, who was in Reagan's California cabinet along with Meese. Meese was chief of staff in California. The Deputy Attorney General was D. Lowell Jensen, who had competed against INSLAW years earlier. The person in charge of making Justice Department payments for INSLAW's software—and who didn't—was an employee who had been fired from INSLAW. Jensen was also in trouble when the Senate was investigating the Iran-Contra scandal. Apparently the Senate committee discovered a memo written by Jensen to the National Security Council warning that the Miami federal prosecutors were on Ollie North's trail. The memo revealed that the Justice Department, who was supposed to prosecute the Iran-Contra affair, actually was tipping off the government in advance.

One Justice Department official testified at the INSLAW hearing that INSLAW's software could be dangerous. Thomas Stanton testified "INSLAW could besmirch the U.S. Trustee program." The program is so sophisticated that it could trace all assets, track all trustees and judges. Another Justice Department employee stated that the U.S. Trustee program was flagrantly political. "It was a way of getting cronies into office. There would be 50 or 60 positions to be filled ... it was Meese's baby." The official also stated, "It was always puzzling to me how he got away with what he got away with. He'd do things that were blatantly wrong and no one would question him—it's kind of scary."

The Meese program would concentrate too much power in one government department. "It's supposed to act as a watchdog over lawyers and trustees, but the problem is it's more. It has a considerable amount of power to control the administration of cases. When a case moves from bankruptcy to liquidation, the U.S. Trustee's office names the trustee, who converts the assets, oversees the auction, and retains appraisers who will put a price tag on the leftovers. The U.S. Trustee's program also links Justice and the IRS. The thing that's a little frightening about it is that the U.S. Trustee department sees itself as a part of the tax-collecting function of government. The Justice Department represents the IRS, and the IRS is often the biggest creditor in liquidation," states a leading bankruptcy attorney.

## BANKRUPTCY, JUSTICE SCANDAL COULD EQUAL WATERGATE

By Harry V. Martin  
Third in a NEW SERIES  
(c) Copyright Napa Sentinel  
March 22, 1991

As if things weren't getting hot enough for the federal bankruptcy court system, but now the INSLAW case is becoming another Watergate. INSLAW was a Washington, D.C.-based computer firm that sold a highly technical tracking software program to the U.S. Department of Justice. Federal judges have upheld INSLAW's contention that the Justice Department, under Attorney General Edwin Meese, stole INSLAW's computer program.

A bankruptcy judge that made the ruling was not re-appointed to a 14-year term. Several Justice Department officials have since been fired or quit over the case.

Now a U.S. House Subcommittee is investigating the case and putting a lot of heat on the Justice Department. Attorney General Dick Thornburgh has been placed in an awkward position because of the case. Though he was not Attorney General at the time the INSLAW scandal broke, he was the man who investigated it and cleared the Justice Department of wrongdoing.

Testimony has come forward that the Justice Department, under Meese, pressured the bankruptcy courts to declare INSLAW insolvent, forcing the company to release its assets—including the critical software. INSLAW was once threatened if it didn't sell its company to a close Meese associate. After the threat, INSLAW's life was made miserable by the Justice Department. When INSLAW sued the Justice Department it was awarded \$6.8 million. The judge who made the award was fired and replaced with a newly appointed judge—the man who prosecuted the case for the Justice Department. A second judge upheld the first judge's ruling.

The House subcommittee is accusing Thornburgh of stonewalling the Committee's request for hundreds of documents involved in the INSLAW case. Two years ago, the same stalling tactics by the Attorney General's office played havoc with a Senate investigation of the same problem. But Texas Congressman Jack Brooks is putting the heat on the Justice Department to turn over its records on INSLAW—Brook's committee controls the purse strings of the Justice Department and has more clout than did the Senate Committee.

The protected software has been pirated to the Canadian government. Those who were found responsible for the pirating were close associates of Meese. "No sooner had the piracy been confirmed in Canada than an Israeli intelligence officer alleged that PROMIS (INSLAW's software program) was being used illegally by the CIA and other U.S. intelligence agencies," states James J. Kilpatrick in the March 15 edition of "The Miami Herald."

After the re-appointment of the federal bankruptcy judge was halted because of his ruling on the INSLAW case, almost every bankruptcy judge that is handed the case declines to have anything to do with it. "Nobody wants to touch the case," states Chief District Judge Aubrey Robinson.

According to Brooks, the Justice Department is now ready to turn over the documents, states the "Legal Times" of Washington, D.C. The scandal touches many high officials in the Justice Department or formerly associated with the Department. They include:

- \* Edwin Meese, former Attorney General.
- \* Attorney General Richard Thornburgh.
- \* U.S. Attorney Jay Stephens.
- \* Justice Department watchdog Michael Sheehan, Jr.
- \* Gerald McDowell, chief of the Criminal Division's Public Integrity Section.
- \* Lawrence McWhorter, head of the Executive Office of the U.S. Attorney's Criminal Division.
- \* Bankruptcy Judge Cornelius Blackshear.
- \* North District of California Federal District Judge D. Lowell Jensen, who was a former Deputy Attorney General and once chief competitor to INSLAW in California.

The Brooks Committee has also learned that the Justice Department's computer system is "all botched up" and has also learned that there is a lot of sensitive data within the Department of Justice computer files that is not secure. The INSLAW program was to organize everything and track cases all over the country.

The Justice Department is the prime law enforcement agency in the United States. A scandal there could rock the nation in a similar fashion as Watergate did during the Nixon Administration.

The Justice Department oversees the Federal Bankruptcy Court and the Trustee system. The Justice Department is investigating the Federal Bankruptcy Court and the Trustee System. The Justice Department has been caught using the Bankruptcy System for their own interest. In other words, the Justice Department is investigating the Justice Department's Bankruptcy System for potential wrongdoings by the Justice Department.

But is there really justice in this land?

## BANKRUPTCY COURT EXAMINES SOFTWARE ALLEGATIONS AGAINST JUSTICE DEPARTMENT PIRATING

By Harry V. Martin  
Fourth in a NEW SERIES  
(c) Copyright Napa Sentinel  
March 29, 1991

If you own a VCR or rent or buy movies, you will be familiar with the warning that appears on your screen that the film you are viewing is protected by a copyright and that the Federal Bureau of Investigations or Interpol can arrest you for copying the film. The warning is to prevent "pirating" of someone else's copyrighted material.

But what's good for the goose is not always good for the gander. The United States Justice Department stands accused of pirating copyrighted material—having supplied it to the Canadian government, the Israeli government and Iraqi government... and to the FBI, itself.

That is how deep the INSLAW computer software case has become. The case started out when the Justice Department bought PROMIS, a copyrighted software program that helps to track criminal cases throughout the United States. When friends and associates of then Attorney General Edwin Meese attempted to buy the software company, INSLAW turned them down and then life was made miserable for INSLAW. Within 90 days the Justice Department reneged on their contract with INSLAW and refused to pay for the software program, even though it was using it. The Justice Department is accused by federal judges of attempting to bankrupt INSLAW and then hasten the bankruptcy court to

declare them insolvent. Instead, the courts ruled that the Justice Department used "fraud, deceit and trickery" against INSLAW and awarded the small computer software company \$6.8 million in damages.

The case became deeper when friends of Meese began to sell the program to foreign military establishments and the Justice Department began to provide the copyrighted material to other U.S. government agencies. A man who was once fired from INSLAW was put in charge of INSLAW's payments—which were never forthcoming. Another Justice Department official, who is now a Federal Judge in Northern California, was a direct competitor to INSLAW in California. The Judge who made the \$6.8 million ruling lost his job. The attorney for the Justice Department who fought against the Judge's ruling was promoted to the Judge's vacant position. There have been wholesale changes and firings at the Justice Department over the INSLAW case.

The Justice Department is now under investigation by a House subcommittee and this committee is receiving many documents to support the premise that the Justice Department has a skeleton in its closet that stinks greater than Watergate.

But new documents emerging in the case demonstrate a wider scandal. In an affidavit dated February 17, 1991, Ari Ben-Menashe describes his 12 year service for the Government of Israel in foreign intelligence and provides an eyewitness account of a presentation to an Israeli intelligence agency in 1987 in Tel Aviv, by Earl W. Brian of the United States.

Brian is a close associate of Meese from his California days. Brian and Meese were both in Ronald Reagan's California Cabinet when Reagan was governor.

According to Ben-Menashe's affidavit, Brian stated in his presence that he had acquired the property rights to the PROMIS computer software and that as of 1987 "all U.S. intelligence agencies, including the Defense Intelligence Agency, the Central Intelligence Agency and the National Security Agency, were using the PROMIS computer software." Ben-Menashe further states in his affidavit that Brian consummated a sale of the PROMIS computer software to the Government of Israel in 1987.

He further claimed that Brian also sold the PROMIS computer software to Iraqi Military Intelligence. According to Ben-Menashe's affidavit, the Israeli intelligence officer learned of this sale from an eyewitness who helped Brian broker the sale in his office in Santiago, Chile—Carlos Carduen of Carduen Industries. Carduen has been a major supplier to the Government of Iraq with weapons and munitions.

The Federal Government of Canada has admitted that INSLAW's PROMIS software is currently operating in at least two federal departments, including the Royal Canadian Mounted Police. The Mounties are using the program in 900 locations in Canada.

INSLAW never sold its software to Canada, Iraq, Israel, the Central Intelligence Agency or the National Security Agency. It also has not been paid by the Justice Department for its use, despite the \$6.8 million ruling in INSLAW's favor.

The Justice Department insists that the FBI is not using the PROMIS program. Yet FBI Director William Sessions and Deputy Assistant Director Kier Boyd, have made it clear that the FBI now is unable or unwilling to provide assurances that pirated software is not included in the case management information system used by FBI field offices.

And in a startling development, a man named Charles Hayes has asserted that the U.S. government has pirated the PROMIS computer program. The Justice Department has used Hayes in the U.S. District Court in Lexington, Kentucky, seeking to compel him to return copies of computer software left on equipment Hayes salvaged business purchased from the U.S. Attorney's Office in Lexington. Hayes has publicly claimed that the salvaged equipment contained pirated copies of INSLAW's PROMIS software.

One cover-up begets another cover-up? This is how Watergate spread.

## KEY WITNESS IN INSLAW CASE ARRESTED BY JUSTICE DEPARTMENT AS PREDICTED

By Harry V. Martin  
Fifth in a NEW SERIES  
(c) Copyright Napa Sentinel  
April 2, 1991

Within eight days of signing a damaging statement against the U.S. Justice Department in the INSLAW software case, a key witness against the government has been arrested and held without bail. Michael J. Riconosciuto was arrested Friday night and is being held without bail at Snohomish County jail in Everett, Washington.

Riconosciuto is being held without bail and no charges have been filed against him. He was arrested with two local men who had just sold him computer equipment for \$1000. The two were known drug users. Riconosciuto, according to jail officials, is being held for the U.S. Marshall's Office—not on any alleged local criminal violation.

Riconosciuto, and the two other persons, were arrested Friday night by more than a dozen U.S. Drug Enforcement Administration agents.

On March 21, Riconosciuto, a computer software technician, filed an affidavit in the INSLAW case. In February, Riconosciuto was called by a former Justice Department official and warned against cooperating with an investigation into the case by the House Judiciary Committee. The former Justice Department official is reported to have threatened Riconosciuto with criminal prosecution if he talked about the INSLAW case. The Justice Department has been accused by a Federal bankruptcy Judge of stealing INSLAW's PROMIS software which has the capability of tracking criminal and military movements. According to sworn affidavits, Riconosciuto was allegedly told by U.S. Justice Department officials that if he did testify in the INSLAW case he would be criminally prosecuted in an unrelated savings and loan case and would suffer an unfavorable outcome in a child custody dispute.

The threat was made by telephone and a recording was made of the conversation, according to Riconosciuto. He indicated that two copies of the recorded telephone conversation were confiscated by federal agents when he was arrested. Riconosciuto told the "St. Louis Post-Dispatch" that at least one other copy remained in a secured location.

Riconosciuto's testimony, along with others, claims that the U.S. Justice Department illegally distributed INSLAW's software to military and intelligence agencies in Iraq, Libya, South Korea, Singapore, Israel, Canada and other nations.

A Federal Judge ruled last week in Washington, D.C., that the INSLAW case be transferred from the Bankruptcy Court to the U.S. District Court.

During the early 1980s, Riconosciuto served as the Director of Research for a joint venture between the Wackenhut Corporation of Coral Gables, Florida and the Cabazon Band of Indians of Indio, California. The joint venture was located on the Cabazon reservation. The joint venture sought to develop and manufacture certain materials that are used in military and national security operations, and biological and chemical warfare

weapons. The Cabazon Band of Indians are a sovereign nation and thus have immunity under U.S. regulations and stringent government controls.

The Wackenhut-Cabazon joint venture was intended to support the needs of a number of foreign governments and forces, including forces and governments in Central America and the Middle East. The Contras in Nicaragua represented one of the most important priorities for the joint venture. The joint venture maintained close liaison with certain elements of the U.S. Government, including representatives of intelligence, military and law enforcement agencies. Among the frequent visitors to the Wackenhut-Cabazon joint venture were Peter Videncik of the U.S. Department of Justice and a close associate of Videncik, Dr. Earl W. Brian—who served in the California cabinet of Governor Ronald Reagan and who has very close ties and business dealings with Meese.

In connection with Riconosciuto's work, he engaged in some software work in 1983 and 1984 on the PROMIS computer software product, developed by INSLAW but being used—without payment—by the U.S. Department of Justice. A federal court has awarded INSLAW \$6.3 million against the U.S. Department of Justice.

According to Riconosciuto's court affidavit, Brian was spearheading the plan for the worldwide use of the PROMIS computer software—which was licensed and patented to INSLAW. "The purpose of the PROMIS software modifications that I made in 1983 and 1984 was to support a plan for the implementation of PROMIS in law enforcement and intelligence agencies worldwide." He said that some of the modifications that he made were specifically designed to facilitate the implementation of PROMIS within two agencies of the Government of Canada: the Royal Canadian Mounted Police and the Canadian Security and Intelligence Service. "Earl W. Brian would check with me from time to time to make certain that the work would be completed in time to satisfy the schedule for the RCMP and CSIS implementations of PROMIS." Brian, without permission from INSLAW, but acting with the U.S. Department of Justice and U.S. Attorney General Edwin Meese, reportedly sold this version of PROMIS to the Government of Canada, according to Riconosciuto.

Riconosciuto predicted his own arrest eight days later. In his affidavit filed with the court on March 21, 1991, he states, "In February 1991, I had a telephone conversation with Peter Videncik, then still employed by the U.S. Department of Justice. Videncik attempted during this telephone conversation to persuade me not to cooperate with an independent investigation of the government's piracy of INSLAW's proprietary PROMIS software being conducted by the Committee on the Judiciary of the U.S. House of Representatives.

"Videncik stated that I would be rewarded for a decision not to cooperate with the House Judiciary Committee investigation. Videncik forecasted an immediate and favorable resolution of a protracted child custody dispute being prosecuted against my wife by her former husband, if I were to decide not to cooperate with the House Judiciary Committee investigation.

"One punishment that Videncik outlined was the future inclusion of me and my father in a criminal prosecution of certain business associates of mine in Orange County, California, in connection with the operation of a savings and loan institution in Orange County. By way of underscoring his power to influence such decisions at the U.S. Department of Justice, Videncik informed me of the indictment of those business associates prior to the time when that indictment was unsealed and made public.

"Another punishment that Videncik threatened should I cooperate with the House Judiciary Committee, is prosecution by the U.S. Department of Justice for perjury. Videncik warned me that credible witnesses would come forward to contradict any damaging claims that I made in testimony before the House Judiciary Committee, and that I would subsequently be prosecuted for perjury by the U.S. Department of Justice for my testimony before the House Judiciary Committee.

As predicted, after Riconosciuto's affidavit was filed with the court and reported in the "St. Louis Post-Dispatch" and "Washington Post," he was arrested and is now being held without bail and with no charges.

The INSLAW case is becoming another Watergate and involves former Attorney General Edwin Meese, a federal judge, several high officials of the U.S. Department of Justice and even former White House aide Robert C. McFarlane, who transferred INSLAW software to Israel.

There are many affidavits being filed in the case to verify wrongdoing on the part of the Justice Department. Yet the Justice Department continues to refuse to supply the House Judiciary Committee with any documents in the case. The Committee is now threatening to cut U.S. Department of Justice funding if they don't cooperate in supplying these documents.

#### HOUSE JUDICIARY INVESTIGATORS SEEK NEW DECLARATION

By Harry V. Martin  
Sixth in a NEW SERIES  
(c) Copyright Napa Sentinel, 1991  
April 5, 1991

Congressional investigators have flown to Tacoma, Washington, to interview Michael Riconosciuto—a key witness in the INSLAW case. Riconosciuto provided a damaging statement against the U.S. Justice Department in the stolen software case that potentially could become another Watergate.

Riconosciuto stated in his declaration that the U.S. Justice Department had threatened to have him arrested should he cooperate with the House Judiciary Committee investigation into the U.S. Justice Department's role in the INSLAW case. Two federal judges have ruled that the U.S. Justice Department stole INSLAW's PROMIS software and used "trickery and deceit" in the case. One of those judges was not re-appointed to the bench after his ruling. The House Committee has already heard testimony that accuses the U.S. Justice Department of attempting to interfere with the courts in an effort to have INSLAW declared insolvent. Instead, the courts awarded INSLAW \$6.3 million in damages.

Within eight days of Riconosciuto's declaration he was arrested and held without bail. Drug Enforcement Agency agents made the arrest. On Wednesday a Federal Grand Jury indicted Riconosciuto on one count of distribution of methamphetamine. He is still being held without bail. Whether or not the U.S. Department of Justice retaliated against Riconosciuto's willingness to testify before the U.S. House Judiciary Committee, the House investigators are questioning Riconosciuto at Kitsap County Correctional Center. One member of the investigation stated that the House Committee is deeply concerned with the timing of Riconosciuto's arrest, particularly after he signed an affidavit stating he was threatened with arrest if he did testify.

The Judiciary Committee is investigating allegations that top Justice Department officials under former Attorney General Edwin Meese engaged in a criminal conspiracy to

steal software developed by INSLAW and then furnished it to other countries including, Iraq, Libya, South Korea, Israel and Canada.

Congressman Jack Brooks, chairman of the Committee, has accused the Justice Department of a cover-up by withholding more than 200 documents in the INSLAW case. A U.S. Bankruptcy judge ruled in 1987 that officials of the Justice Department stole the sensitive computer software—used to track criminals and also military movements—"through fraud, trickery and deceit." The ruling was later affirmed by another federal judge.

Riconosciuto has a previous drug conviction for manufacturing PCP aboard a Seattle houseboat 18 years ago. Riconosciuto's declaration states that he was hired to modify INSLAW's PROMIS software so that it could be sold to Canada and other customers. During the time of modification, Riconosciuto was working on a joint venture with a private security firm and the Cabazon Indians in Indio, California. The joint venture also included military equipment and biological and chemical warfare weapons for use and/or sale in Central America and the Middle East.

One Indian and two companions who were opposed to these operations and who alleged that tribal money was being funneled into foreign banks, were found slain execution style in Rancho Mirage. No one has been arrested in the case. The sister of one of the slain men reported the Indian ties with the Iran-Contra scandal and the software modification. That report was delivered to a New York television studio seven years ago. She is now preparing all of it in a declaration form and supplying it to the U.S. House Judiciary Committee investigation.

In other related matters, another affidavit was filed in the INSLAW case which reports that a man bought U.S. Justice Department computers and output computers for salvage and found the pirated PROMIS software program in the surplus computer. The General Accounting Office has expressed grave concern over the salvaged computers, noting that the U.S. Justice Department has sold surplus computers without first erasing sensitive information from the memory banks. "The error may have put some informants, witnesses and undercover agents in a life-and-death situation," the GAO states. The data could include the names of government informants, federally protected witnesses and undercover agents, grand jury proceedings, sealed indictments, confidential FBI investigations and personal data about Justice Department employees. These computers were sold by the Justice Department for as little as \$45. The man in Lexington, Kentucky, who found the pirated PROMIS software in the U.S. Justice Department surplus computer also found sealed grand jury indictments.

Charles Hayes was the man who bought the equipment in July 1990 for \$45. He has now been sued by the U.S. Justice Department for the return of the computers, stating that the memory bank had not been erased. The U.S. Justice Department did not go after Hayes until after he signed an affidavit about the protected PROMIS software. It is not certain whether the U.S. Justice Department wants the sensitive material back or they want the computers to block them from being used as evidence against them in the INSLAW case. Hayes did return the equipment. This was not an isolated case. Another U.S. Attorney Office notified federal agents that once again sensitive data that could potentially identify agents and witnesses may have been lost.

#### CANADIANS BEGIN PROBE ON PIRATED SOFTWARE FROM JUSTICE DEPARTMENT

By Harry V. Martin  
Seventh in a NEW SERIES  
(c) Copyright Napa Sentinel, 1991  
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The growing INSLAW software theft is now reaching foreign proportions. While the U.S. House Judiciary Committee is investigating the theft of INSLAW's PROMIS software by the U.S. Justice Department, the Canadian Parliament will commence its own investigation.

Two agencies of the Canadian Government, the Royal Canadian Mounted Police (RCMP) and the Canadian Security and Intelligence Service (CSIS)—equivalent to the CIA—are using the pirated PROMIS software, allegedly supplied to them by Dr. Earl Brian, a close associate and financial partner of former U.S. Attorney General Edwin Meese and a former California cabinet officer under then Governor Ronald Reagan.

A Federal Bankruptcy judge—who was not re-appointed to the bench after his ruling—said the U.S. Justice Department used trickery, fraud and deception in "stealing" the PROMIS software. The sophisticated software is used for tracking criminal and military activities. It was illegally sold to South Korea, Iraq, Israel, Canada and Libya by the United States.

According to an affidavit, the software was converted in a joint venture between Wackenhut Corporation of Coral Gables, Florida, and the Cabazon Band of Indians of Indio—an independent nation. The declaration by Michael J. Riconosciuto alleges that Dr. Brian was deeply involved in the joint venture. One Indian and two of his companions who objected to the joint venture—which also dealt with military weapons, biological and chemical warfare—were found murdered in execution style. That execution was reported on 20/20 by Barbara Walters and the CIA was named as the prime suspect in the case. The software was specifically modified for the Canadian government.

Riconosciuto stated in an affidavit he was warned by officials of the U.S. Justice Department that if he cooperated with the U.S. House Judiciary Committee he would be arrested. Eight days after he signed the affidavit he was arrested by more than a dozen Drug Enforcement Agency officers near Tacoma, Washington. He was held without bail for several days and then charged with a single drug count. Though arrested in the State of Washington, he was held without bail awaiting a federal marshal to pick him up.

He, along with several others, have stated in an affidavit to the court and to the U.S. House Judiciary Committee, that the PROMIS software was modified and sold to several countries, including Canada.

Less than a week, Members of Parliament demanded that the Solicitor General of Canada, Pierre Cadieux, appear before a parliamentary committee to answer charges the RCMP and CSIS are using stolen computer software. Cadieux's ministry is responsible for the RCMP and CSIS.

Though both the RCMP and the CSIS originally denied they are using PROMIS, court documents show a Canadian communications department official admitted last year that the RCMP was using PROMIS, although INSLAW never authorized its Canadian sale.

"Did CSIS and the RCMP use PROMIS software or modifications of it? If so, what were the circumstances of the acquisition? Was the software stolen, and if so, was the Canadian Government aware of it? These are the questions Parliament wants to ask Cadieux. The Canadian Solicitor has indicated that the Government is already launching its own investigation into the pirated software scandal. Canadian officials are indicating that the pirated software sales may have helped to illegally fund the Contras in Nicaragua.

Contra funding and supplies was one of the most important aspects of the Cabazon-Wackenhut joint venture. Riconosciuto has had inside connections with the CIA and U.S. Justice Department and some testimony put forward states that he helped to launder \$40 million for the Bush-Quayle campaign—that report has not been substantiated by any more than one government source.

Brian is the owner of a holding company which has interests in the Financial News Network, United Press International and Hadron, Inc. Hadron was the company that was unsuccessful in buying out INSLAW. Affidavits on file with the court allege that Hadron, through Reagan cronies, attempted to force INSLAW out of business after it was awarded a \$10 million contract by the U.S. Justice Department.

The scandal involves Meese, Brian, former National Security Advisor Robert McFarland, several senior staff members at the U.S. Justice Department, and even federal judges. The "Vancouver Sun," the leading newspaper in Western Canada, states, "The pirated software battle already has been compared to Watergate and the Iran-Contra scandal."

(Continued Below)

### MURDER OF THREE INDIANS MAY BE PART OF HOUSE PROBE ON INSLAW CASE

By Harry V. Maslin  
Eighth in a NEW SERIES  
(c) Copyright Napa Sentinel, 1991  
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A security guard, who linked the CIA with the execution-style murder of one Indian and two other men who objected to the tribe's manufacturing of weapons, chemical and biological warfare devices and the conversion of INSLAW's sensitive software, fled to Sonoma and Lake counties right after the murders. The security guard's secret hiding places were sanctioned by the Riverside County District Attorney's Office and the state Department of Justice.

The security guard testified in a video-taped interview about the murders and named names. The video-taping was taken by the Riverside County District Attorney's Office after a Cabazon Indian and his two companions were found slain. The security guard's testimony to the DA's Office revealed that he was the bag man who carried \$10,000 from the Indian Reservation in Indio to the top of an aerial tram in Palm Springs. The \$10,000 was "hit" money. According to the testimony, several ex-Green Berets, then employed as firemen in the City of Chicago, executed the three Indians.

Who paid for the executions? According to the testimony, a man who was once closely associated with Jimmy Hoffa and who then operated the Bingo Parlor on the Indian Reservation, provided the \$10,000 for the killing. The three slain men had raised serious objections to the Wackenhut-Cabazon joint venture. Wackenhut was involved as agents for the CIA to provide arms to the Contras and also to convert INSLAW's stolen PROMIS software for use by the Canadian Government. The Canadian Government has ordered an investigation into the pirated software scandal and the U.S. House Judiciary Committee is conducting its own investigation in what has been described as the U.S. Department of Justice's "trickery, deceit and theft" of the software. The U.S. Government has been connected with the illegal sale of the sensitive software to South Korea, Libya, Iraq, Israel and Canada, as well as being pirated by a number of U.S. agencies, including the CIA, National Security Agency and other military units. The software is also in use by the FBI. Only the U.S. Justice Department was licensed to use the software, which tracks criminals and can be used for military tracking, as well. INSLAW was awarded \$6.8 million by two federal courts against the U.S. Justice Department.

The scandal has deepened considerably, especially since the testimony of Michael J. Riconosciuto, who worked closely with the Wackenhut company, and Dr. Earl Brian—a close aide and financial business associate of former U.S. Attorney General Edwin Meese and former California Cabinet official in the Ronald Reagan government. The scandal has caught several members of the U.S. Justice Department, the National Security Council, the federal bankruptcy court, and other government officials in a vice. Newspapers from Canada and the United States rate the INSLAW case equal to the Iran-Contra scandal and Watergate.

Riconosciuto provided an affidavit which compromised the U.S. Justice Department and covert CIA operations. The affidavit stated that Riconosciuto was warned by U.S. Justice Department officials that if he cooperated with the House Judiciary investigation of the INSLAW case, he would be arrested. Within eight days of signing the affidavit, Riconosciuto was arrested in the State of Washington and held without bail. He was later charged with one count of distribution of methamphetamines—a crime that usually has a low bail. Riconosciuto was being held for U.S. Marshals. Investigators from the House Judiciary Committee interviewed Riconosciuto in a Tacoma jail last week.

Riconosciuto's mention of the Wackenhut-Cabazon joint ventures, sparked more controversy. The House Judiciary Committee is now also reviewing information on the Indian murders.

The "Sentinel" was able to obtain an exclusive interview with people closely associated with the Cabazon nation and the murders. The security guard, who was the bag man, had just left the military service as an airborne ranger working on covert assignments. He was hired as a security guard for the Cabazon nation. Another man, a licensed investigator, was hired to question the security guard about what he knew. It was learned that a key Indian of the tribe was making strong objections to the laundering of money from the Bingo Parlor. The main antagonist was Fred Alvarez.

The security guard was given \$10,000 to give to a hit man in Palm Springs. He has subsequently video-taped his confession to the Riverside County District Attorney's office. Alvarez, in an exclusive interview with the "Desert Sun," complained about the U.S. Government's abuses of the Indian nation. He told the "Sun" that people were going to kill him. Alvarez was murdered in execution style after the interview.

The Riverside District Attorney's Office and the California Department of Justice commenced their separate investigations of the murders. A report was issued by the state linking the people behind the Cabazon with direct links to organized crime—a chief Mafia Family, the Gambino Family—and the CIA. The Cabazon reservation, however, is an independent nation. In video interviews, the security guard told how Wackenhut demonstrated new weapons with both the FBI and the CIA present. He also testified to the presence at these demonstrations of Dr. Earl Brian.

The man who paid the security guard \$10,000 was later convicted of attempted murder after five more Indians were shot to death. He was linked by law enforcement officials to organized crime and CIA covert operations.

The security guard testified that the Indio reservation was convenient for the U.S. Government because it was an independent nation and because it was close to the Mexican border, where arms were shipped enroute to the Contras. The security guard's testimony was so sensitive, that late one night the Riverside County District Attorney's Office arranged for an armed escort to get him off the reservation. He went to Sonoma and Lake counties, and then back to Southern California to work with the Department of Justice. He fled to New Mexico and now has left the country. He may return to testify before the House Judiciary Committee, though he is in fear of his life right now.

Like in the INSLAW case, these principles involved have fallen like flies. The first federal judge to rule in INSLAW's favor against the U.S. Justice Department was not re-appointed to another 14-year term. Many members of the U.S. Justice Department quit or were fired in direct relationship to this case. The chief investigator for the Riverside County District Attorney's Office was later taken off the case and transferred to the Juvenile Division and then given early retirement. Shortly after his retirement, the DA investigator states that he was pulled off the road one day by a CIA agent and told to forget all about the "desert" if he wanted to enjoy his retirement.

The man who gave the money to the security guard for the murder, was also the same man who is reported to have been the trigger man in Chile in 1971—the target: President Salvador Allende.

### INSLAW CASE GETS DEEPER AND UNCOVERS MORE 'BODIES'

By Harry V. Maslin  
Ninth in a NEW SERIES  
(c) Copyright Napa Sentinel, 1991  
April 19, 1991

When Michael J. Riconosciuto signed his affidavit implicating the U.S. Justice Department in the theft and pirating of INSLAW's PROMIS software, he opened a can of worms that may never go away. Riconosciuto revealed in his affidavit that the CIA, U.S. Justice Department and the FBI all had links to the Cabazon Indians and to John Phillip Nichols and that the Indian reservation in Indio, California, was linked directly to the Contra. Those links resulted in the death of many people.

Riconosciuto also warned in his affidavit that he was going to be arrested if he cooperated with a U.S. Congressional probe of the Justice Department involving the pirated software. Within eight days of signing the affidavit, like clock work, Riconosciuto was arrested and held without bail for the U.S. Marshal. Not to be thwarted, investigators from the Congressional Judiciary Committee met and interviewed Riconosciuto.

Riconosciuto's statements, however, have sparked a new inquiry into the entire Wackenhut-Cabazon Indian joint venture and additional coverups by the U.S. Government over the stolen software, money laundering, Mafia ties and illegal shipments to the Contras. It was the U.S. Justice Department that warned Riconosciuto not to speak out. His statements have also launched an investigation into the pirated software by the Canadian Government, as well.

One Indian and two companions who protested against the manufacturing of military equipment—including chemical and biological warfare—the alteration of the PROMIS software, and shipments to the Contras, were murdered execution style. The man who was used to transport the blood money from CIA operatives and the killers, has fled the country, but not before providing video taped testimony on the murders.

Implicated in the entire Wackenhut-Cabazon Justice Department affair, was a man called John Phillip Nichols. Nichols took over the Bingo Hall and later the reservation. The Cabazon Indians are an independent nation.

Nichols, who has been linked to Jimmy Hoffa and investigation attempts of Fidel Castro and Salvador Allende, has strong Mafia ties. He has been convicted of soliciting murder.

Linda Stretcher, the sister of Alfred Alvarez, the slain Indian, has asked the California Department of Justice to assign a special prosecution unit to investigate the case. The information on the murders has been forwarded to the Congressional Judiciary Committee now probing the U.S. Justice Department.

The Riverside County Grand Jury and the Riverside County District Attorney's Office have extensive testimony on the murders.

Even 20/20 has done a segment on the Indian involvement and the murders. Nichols is the one who persuaded the U.S. Government to provide the Cabazon Indians with military and security equipment.

Nichols' ties are outlined on page 304 of "Inside Job—the Looting of America's Savings and Loans" by Stephen Pizzo, Mary Frierer and Paul Musolo.

"At San Marino Savings in Southern California we heard about a major borrower, G. Wayne Reeder (who also attempted a couple of failed ventures with Herman Beebe), meeting in late 1981 at an arms demonstration with Raul Arana and Edmundo Patten, Contra leaders who were considering buying military equipment from Reeder's Indian biographic partner, Dr. John Nichols. Among the equipment were night-vision goggles manufactured by Litton Industries and a light machine gun. Nichols, according to former Reeder employee and published accounts, had a plan in the early 1980's to build a munitions plant on the Cabazon Indian reservation near Palm Springs in partnership with Wackenhut, a Florida security firm. The plan fell through. Nichols was a self-described CIA veteran of assassination attempts against Castro in Cuba and Allende in Chile. Authorities said he was a business associate of members of the Los Angeles Mafia. He was later convicted in an abortive murder-for-hire scheme and sentenced."

The intertwining mess of the U.S. Justice Department, FBI, CIA, former Attorney General Edwin Meese, Dr. Earl Brian, a former Reagan California Cabinet member, and the Federal Bankruptcy Courts demonstrates a broad stroke of corruption throughout the higher echelons of government. Today, a Congressional Committee is attempting to sort everything out—but a Senate Committee once tried the same thing and was totally thwarted when the U.S. Justice Department refused to cooperate.

We have, in the past year, examined the CIA-Contra-Nazi-Banking connections, the CIA-Justice Department-Bankruptcy Court connections, and the CIA-Mafia-Drug connections. It is a never ending story.

# INSLAW Interview With Bill Hamilton

The following is a transcript about INSLAW of a September 20, 1991 broadcast on WBAI-FM 99.5, 505 Eighth Ave., 19th Floor, New York, NY 10018, (212) 279-0707

[Bill Hamilton is the chief executive officer of the INSLAW Corporation (a software company) and the developer of its PROMIS software packages.]

**BILL HAMILTON:** Danny [Casolaro] was found dead in West Virginia. He had conversations with three confidants -- three separate conversations which I found out about later. And he told each of these three confidants the same thing: that he had just then returned from West Virginia where he had met with a source and that he now knew everything that had happened to the PROMIS software and to INSLAW, but that he had to go back for one final meeting to pick up the last piece of evidence. And he was quite euphoric about his breakthrough. And he said to each of these people that Bill and Nancy Hamilton (my wife is named Nancy -- works here with me.) were going to be quite excited.

One of the confidants said: "I've had fifty telephone hours talking to Danny." (This is someone who lives on the West Coast.) "During the past year I've spent about fifty hours speaking to him on the phone. Normally, he plays chess with me. Monday night, he will like the cat who had swallowed the canary. He knew he had broken this thing!"

So, if he was murdered -- and I believe he clearly was -- he was murdered because he had found out too much. The other thing I should mention to you is that, in the final three or four weeks of his life, several different people with backgrounds in U.S. covert intelligence operations, who I talk to on a regular basis, and who Danny also talked to on a regular basis, discreetly told me that they had told Danny that his life was in jeopardy because he was having such success in breaking this corruption open. And they told me that some specific inquiries that Danny was making could get him killed. And the West Virginia authorities have never shown any interest in finding that kind of thing out from people like me and others who knew professionally what Danny was doing.

So, to rule a suicide without examining this kind of information, is a ruling which does not deserve to be taken seriously.

**PAUL D'ERENZO:** Can you give me some idea of those very specific things that Danny Casolaro was inquiring about?

**BILL HAMILTON:** Danny was planning to go to a particular facility in the Washington, D.C. area, owned by the United States Government, a facility with connections to one or more of the people who run "the Octopus". I think you can assume it's a covert intelligence facility, from the way that it's presented. And just going to this facility, if I was wanted, could get him killed. The other thing that he was doing was making inquiries, over the telephone, to the Synchrotron in Los Angeles. And those inquiries had rattled the cages of some people out there. And there was some concern that they might respond to the rattling by killing Danny. The claim that I have heard from some sources is that someone with mob responsibilities (I guess you'd call it) -- some person in the mob -- is a member of the leadership of "the Octopus." And it's someone from the Los Angeles mob. And Danny was onto it.

**PAUL D'ERENZO:** Are you familiar with any of the research that was done by the Christie Institute in Washington, D.C. concerning the Iran-Contra scandal?

**BILL HAMILTON:** Yes, I have read it.

**PAUL D'ERENZO:** To your knowledge, are there any parallels there? Are some of those same people involved, to your knowledge?

**BILL HAMILTON:** Yes, Danny's belief about who was running "the Octopus" -- about seven or eight people -- some of them are people who the Christie Institute identified. Theodore Shackley, Thomas Clines -- Danny also had people like George Frazier, John F. Nichols, E. Howard Hunt (JD: Hunt was one of the people named in Nixon's biography of the Democratic Party headquarters in the Westgate office building), the former Director of the CIA Richard Helms, Roy Cline. These are the people that Danny had identified as the people running "the Octopus."

**PAUL D'ERENZO:** Anything you'd like to add to this?

**BILL HAMILTON:** I think it's important that reporters try to get to the bottom of this because Danny was investigating corruption in the U.S. Department of Justice itself. It makes problematical any possibility that there could be a Federal investigation, unless there's an independent counsel appointed. So, the press and the Congress are really the only hopes that we have to try to prove whether Danny was murdered or not.

**PAUL D'ERENZO:** I know that you won your suit and that there were some appeals by the government. Has that been completed yet -- the legal proceedings?

**BILL HAMILTON:** No. The government appealed from the bankruptcy court to the U.S. District Court. The U.S. District Court, in November, 1989, affirmed the bankruptcy court saying that the evidence was sufficient to support the findings (quote) "under any standard of review." (closed quote). Then the Justice Department appealed again to the United States Court of Appeals this time. And a three-judge panel in May said, on a narrow jurisdictional ruling, that we won the case in the wrong federal court. We should have tried it in a different federal court. We are currently seeking certiorari from the U.S. Supreme Court because we think that the U.S. Court of Appeals jurisdictional ruling was in error. But when the U.S. Court of Appeals made its jurisdictional ruling, it left undisturbed the findings of the bankruptcy court that had already been upheld by the district court: that the Justice Department stole six million dollars worth of our software

through "trickery, fraud and deceit", and then tried covertly to drive INSLAW out of business.

**PAUL D'ERENZO:** Have you received any settlement on that?

**BILL HAMILTON:** I've never received a penny! And the forty-two largest United States Attorney's offices are still running their computers with software that two federal courts said was deliberately stolen by the U.S. Department of Justice headquarters in Washington.

**PAUL D'ERENZO:** And that was Bill Hamilton, the chair of INSLAW, a software producing company in Washington, D.C. that has been battling the United States Government since the early 1980's and whose case led to another window into the workings of the secret team, "the Octopus", and the death of Danny Casolaro.

**ROBERT KNIGHT:** This is UNDERCURRENTS. You've just heard Bill Hamilton, a man at the center of a pattern of deception, corruption and implications that are so numerous that it's difficult to even encompass them all. This is WBAI, New York, before continuing, it is essential that you call this radio station. Because now, as Bill Hamilton says, the issue has been joined. What can you expect from the National Government? Indeed, it is involved in such a wide-ranging conspiracy?

Well, we know that what we're going to do is continue to pursue this and bring you the kind of information you've been listening to for a while. I'll have this morning's news on UNDERCURRENTS. (212) 279-3400 is the number to call. If you want to have an independent, nonpartisan investigative arm, support us now and let us know that this is important to you.

Let us just try and delineate some of the implications of this. A reporter gets close to the story. A reporter ends up dead. A reporter looks into something that is so big that it involves a global conspiracy.

Let's just take one little aspect of that: the case-tracking abilities of this software. You remember, during this interview that Paul D'Erenzo produced, that Bill Hamilton said that copies of that software ended up in places like Israel, Saudi Arabia, Egypt, and around the world, in countries ...

**PAUL D'ERENZO:** Iraq, as well, in 1987. As a matter of fact, Richard Secord, according to an Iranian case dealer who is now in jail, made the sales pitch.

**ROBERT KNIGHT:** Let's recall who Richard Secord is. The former commander of the air wing in Vietnam. In its program, Deng Pao (D), the ambitious out of which was adopted a crippling incapacitation of heroin into the United States. He ends up involved with Southern Air during the Iran-Contra period, and these airplanes are used for shipping arms out of this country, and are used, according to various reports that you've heard been and elsewhere, for shipping cocaine into the United States.

**ROBERT KNIGHT:** Well, there is another kind of product that is just as powerful and just as deadly to the indigenous community. One application -- just very broadly speaking as a former systems analyst myself -- is that tracking software can easily be modified, in terms of the attributes of description, so that instead of federal cases in the United States, it can be used to track the activities and to keep a centralized log of the repression of individuals -- of citizens within a country. Think about Saudi Arabia; a slave state that did not officially change its laws regarding slavery; the indentured servitude of migrant workers who come into that country and become, effectively, the property of the ownership class, and cannot leave without an exit visa. They belong to somebody else. Imagine the applications of software like that: imagine what happens to people who don't get their hands stopped at elections in El Salvador, because not to vote for the pro-selected right-wing candidates during the mid-1980's was considered by that U.S.-backed military government as tantamount to treason.

Area code (212) 279-3400. We're talking about subtle material here, but that which can have an utterly profound effect on the state of human rights around the world. Something that happily and surreptitiously and -- through the operations of the National Security Council members, Robert McPalme, the "secret team", Richard Secord, and Ed Meese, Ronald Reagan and cronies -- something that starts tearing up around U.S.-aligned repressive governments around the world. And Iraq is included among those. 279-3400, area code (212) ... If we are revealing to you new dimensions of the operations of your government ... This is not a federal investigation. This is an UNDERCURRENTS investigation. This is a WBAI investigation. And we're obviously operating at the threshold of danger. I say that, not to aggrandize the efforts of the people at this particular place, but that in the matter of the death of Danny Casolaro, implying the importance that people NOT know that this is going on. 279-3400 ... If you want to die, you can die with your money. You can die with your tax-deductible donations to WBAI, and let us know that we need to do this. Let us know that YOU need to know this. We are trying to move the consciousness of this city, this country, and this world beyond the spy syndrome where only Robert Gates has a need to know. We're saying that YOU have a need to know.

I remember, as news director, reporting on how, during the elections in El Salvador, the Israelis WERE INVOLVED in tracking individuals via a-viv video. Were they using this software? We're going to find out! But it's essential that you help us. Let's look at the astounding implications of this use of stolen tracking software to keep track of individuals in repressive governments, linked with the United States around the world, using software that was stolen from a company that refused to roll over to Ed Meese and cronies (JD: Lt. Ronald Reagan).

**PAUL D'ERENZO:**

I can't wait until I can tell people, over-the-air, the address of that facility in Washington, D.C. where anybody who goes to it is threatened with death. Maybe we could all go down there.

The next aspect of this case is the connection to BCCI, the Bank of Credit Commerce International. It turns out that BCCI was laundering money that was raised through the illegal sales of this software. You know, it's very interesting because everybody is screaming: "Well how could BCCI be operating without the regulators doing anything about it when obviously there was flags going up and there was evidence going back seven, eight years that BCCI was involved in drug-running and in laundering of drug money, and in various nefarious schemes?" Well, the reason that the regulators and the Congressional hearings don't seem to want to touch upon is that, very possibly and probably, BCCI had direct ties to the Justice Department and to the regulators who were supposed to be watching the store. In fact, the reason that BCCI was not investigated and not prosecuted a lot earlier for its activities was because it was providing necessary services -- a full service bank.

**ROBERT KNIGHT:** 279-3400, area code (212) ... We need you to say: "Go ahead. Go further. Tell us into the realms of the secret knowledge of a deadly conspiracy." We are in a position to create so many headlines -- to bring around so much that has gone around. We're going to make so much trouble! The people who do these things have tools and techniques and dirty business beyond your imagining. To help UNDERCURRENTS directly, contact us at 130 West 25th St, New York, NY 10001.

**PAUL D'ERENZO:** Well, what's that say except: is this the beginning of death squads in America? Are journalists fair play now for people who are afraid of the light of day shining into the events of the world -- shining into what happens in the distant corners of this country, out of sight of the majority of the people who don't realize that their tax money and their representatives are involved in all kinds of nefarious illegal schemes that cause so much pain and destruction? It's a sad story, and one that WBAI and other progressive journalists are going to stick to, and won't be intimidated and scared away from because of the death of Danny Casolaro.

**ANDREW PHILLIPS:** From our sister station in California, compliments of Pamela Barton at the Pacific Archives, just today we received an interview conducted by a colleague of mine ... His name is Ian Masters. And he did an interview at EPKF, Los Angeles ...

**PAUL D'ERENZO:** Well, this is an interview with Michael Riconosciuto. He is in the Pierce County Jail in Tacoma, Washington where he was arrested for allegedly running the largest methamphetamine laboratory in United States history -- over tested in United States history. However, he says he was set up; that his history was not involved in drug manufacturing, and that he, in fact, was being punished for appearing before the Jack Brooks Committee to give testimony of the involvement of intelligence agencies in the INSLAW matter. Riconosciuto is a computer expert. He claims to have been an employee of the Washburn Corporation, to have worked on the Calson Indian Reservation and to have, essentially rewritten and improved the INSLAW PROMIS software after it was stolen for export to intelligence agencies in Iraq, Israel, Iran, Saudi Arabia, Canada, and a number of other countries -- eighty-eight countries in all, according to INSLAW CEO Bill Hamilton. And Riconosciuto gave this interview from jail. He has information about things that only someone who is close to these events would know. This is a fellow who, two or three weeks after he gave testimony to the Brooks Committee, was arrested on these charges ...

**ANDREW PHILLIPS:** Texas Congressman Jack Brooks' Judiciary Committee has been looking into the affair for the last two years, but only issued a report last July. Brooks is believed to have interviewed Edwin Meese, former Attorney General under Reagan and his friends. According to the Hamiltons -- we've going to hear from Bill Hamilton later on -- the files of the Justice Department chief litigating attorney on this case have disappeared.

**IAN MASTERS:** He has a background in U.S. intelligence; you've always got to be skeptical of that claim, but he certainly does appear to have knowledge of government contracts and activities. He feels that he's being framed by Ed W. Brian and Peter Veldin. They set him up on a drug charge because he wouldn't cooperate with them. Veldin apparently warned him against cooperating with the House Judiciary Committee on the INSLAW investigation. Now, the reason I'm going to talk, in a moment, to Riconosciuto is that he is the individual who allegedly allowed this INSLAW software to give it this extra capability, to make it lucrative and able to generate all this money and all these sales.

**IAN MASTERS:** So let's now go to Michael Riconosciuto in jail in Tacoma, Washington.

(JD: The dotted gaps below indicate some words that I must have missed in dubbing this tape. I'll listen to the original tape and then I'll insert those words in a follow-up to this installment.)

**MICHAEL RICONOSCIUTO:** ... and this package worked. OK? I mean it really and truly worked. And when I got my first copies of it and ran it up, I was dumbfounded. I have a statistical courting package where I can put computer software and/or hardware, and/or hardware/software systems through their paces. And I can determine at which point it will become unmarketable ...

... was going to go after information technology and bio-technology. And here again, you have to realize that we were on the threshold of a whole new era with bio-technology and with information technology. Earl Brian had some backing, and he was going to buy out some well placed start-up companies that already had a running start, and then he was going to pump money and talent and the right connections into them, and make them go.





Judge Basin ruled that the Federal Government owed Bill Hamilton about eight million dollars. And, of course, right after the judge basically ruled that, the prosecutor for the Justice Department, who was trying to prevent any payment going to INSLAW, replaced the judge on the bench. So the prosecutor in the INSLAW case, and who was against Hamilton and for Moscoso ended up -- of course, it was Thornburg at the time -- ended up taking over the judge's job and the judge was not respected.

**PAUL DaRIENZO:**  
How did you find out that Casolaro was going to meet Violante and Brian?

**HARRY MARTIN:**  
Several reporters have networked and found certain notes that he had made certain calls to people. And we have seen people now who had very, very close communication with Casolaro at all times. And, in fact, they were supplying him with some of the information.

**PAUL DaRIENZO:**  
And so they were able to report to you who he was off to see?

**HARRY MARTIN:**  
That's correct. We didn't take the report from one individual. We took it from several and they all coincided. In fact, we would like to know who was at the Hilton in West Virginia. Room 900 is one of the phone numbers that was in Casolaro's files. We have a whole list of the different phone numbers that Casolaro apparently had called just before he died. And these came from the various sources who were giving that information to Casolaro.

**PAUL DaRIENZO:**  
And did he ever meet with Violante and Brian on that trip to West Virginia?

**HARRY MARTIN:**  
No. He did not. Now, I understand that Michael Riencoscoso, who I indicated had given the deposition to the Brooks Committee, had an attorney in Philadelphia. And the attorney was verifying Riencoscoso's information on the INSLAW case. He was to meet with a person, and he was found shot to death in his car. And they considered that a suicide as well.

**PAUL DaRIENZO:**  
Right. There have been a number of ---

**HARRY MARTIN:**  
It just goes on and on and on to various people. And, of course, we had the gentleman from the Financial Times in London who was trying to find Johnny Hughes -- who was the begman to the assassination of the Indian leaders -- to talk to him about that whole tin-in. And, of course, he was found shot. And they said that whole tin-in as well.

**PAUL DaRIENZO:**  
Right. That was in Guatemala.

**HARRY MARTIN:**  
Right. And, of course, we have talked with the people who helped Johnny Hughes get out of the Cobason Indian tribe reservation at the time that the murders had taken place. The security people had talked to us long ago on this. We did a whole series on the Cobason before any of this was known. And now they're getting a lot more focus and it's becoming very interesting.

**PAUL DaRIENZO:**  
What's the connection between Wachobut and the Cobason Indians? What is Wachobut?

**HARRY MARTIN:**  
Wachobut is your RoboCop of the future. It has almost four hundred thousand copies. It has taken over the prisons in places like San Antonio and Texas and Illinois and they are talking a bid now to take over the departments and police departments. You'll find it almost like a private army. If you see the movie RoboCop, the corporation that was running the police department -- this is exactly what Wachobut is becoming. In other words, it's taking over the functions of law enforcement on contract basis. And they were funded by former FBI people. And some of the top CIA people went into that organization when they retired from their system.

**HARRY MARTIN [of the Napa Sentinel, Napa California]:**  
Wachobut was using the Cobason Indian tribe because they felt that the Indian nation was independent, and therefore, they could manufacture and do whatever they wanted to do at that base without violating any U.S. laws.

**PAUL DaRIENZO:**  
Where is that located -- the Cobason Reservation?

**HARRY MARTIN:**  
It's in Idaho [California], near Palm Springs.

**PAUL DaRIENZO:**  
And is it a large tract?

**HARRY MARTIN:**  
It's not a large thing, but they have been able to convert it into gambling casinos and manufacturing plants and everything else. And of course, there has been a major upheaval among the Indians, trying to take back their tribe.

**PAUL DaRIENZO:**  
How did Wachobut get into this situation, in control of this tribe?

**HARRY MARTIN:**  
Basically, Dr. Nichols -- who was associated with the assassination of Allende [Dr. Nichols was the assassination of the democratically elected President of Chile, circa 1976] and the attempted assassinations of Castro -- came in and said, "We're going to make money for you", built the casinos up and then brought Wachobut in. And he has subsequently been sent to jail for attempted murders. The California Department of Justice has a file on him that shows Mafia ties and C.I.A. and the end everything else. It's EXTREMELY complex. I mean, it's hard to do [understand] in a few minutes when we've been doing it for a year.

**ANDREW PHILLIPS:**  
This is WBAI in New York. We're in a membership drive. We're on a line to California with Harry Martin of the Napa Sentinel.

**PAUL DaRIENZO:**  
It's just so exciting -- this story -- because it really started with a blurb in the New York Times that said a reporter looking into a case

was found dead. And now we're talking about people who were involved in the so-called "Secret Team", the "October 7", almost like a secret government within a government in the United States. And Mr. Nichols was one of those people who was mentioned earlier by Bill Hamilton as a leading member of the "Octopus". So you're saying that Mr. Nichols is the head of Wachobut, or he's connected with Wachobut?

**HARRY MARTIN:**  
No. Basically, he was put in charge -- in other words, like chairman of the board, or something like that -- of the Cobason Indians. But he has worked closely with them [Wachobut] and his ties have been with them for years. And, as I say, you'll find in some publications and from his own books and other documents that he was instrumental in the assassination of Allende in Chile. So, in other words, he has been a worker in the company for a long time.

**ANDREW PHILLIPS:**  
Just listening to this presentation, you're giving -- in such a matter-of-fact tone of voice -- the most incredible information which you say you've been covering now for many months. And, I suppose, we've been seeing little bits and pieces of ---

**HARRY MARTIN:**  
You have to understand, I've lived with this for a long time and perhaps to me it's just commonplace. Now, for instance, the San Francisco Chronicle, just last week, began a series on the Cobason Indians. And it's been a long time before they've done anything about it. And then they began to bring in all these assets: the Wachobut [story], the manufacturing of the biochemical warfare agents, and so forth. So, they finally caught onto it. .... I guess, on the East Coast, you're not hearing that much about it. .... But Bill Hamilton has been fighting this. His attorney, Elliot Richardson [JD: the former Attorney General of the United States], is very well known. And the courts ruled way back -- Judge Basen ruled that this whole thing was doubtful, theft. Not only that, but his opinion was originally upheld by another court. And now, it has been overturned. And how they overturned it wasn't to say that he was wrong in the decision that it was theft. What they ruled was that he didn't have the jurisdiction to make such a ruling. And Thornburg has NOT cooperated AT ALL with the Brooks Committee. When Sam Nunn was doing his own committee [hearings] on INSLAW in the Senate, there was no cooperation to the point that they ended up having to, basically, drop the hearings.

**HARRY MARTIN:**  
But one of the Senate investigators is on record as saying that he was told by members of the Justice Department that INSLAW [affair] is no dirty and so deep that it is much bigger and more explosive than Watergate.

**PAUL DaRIENZO:**  
I see, from my investigations over the years -- I understand the type of organization that Wachobut is. I've covered them in writing before and read stuff about them, and I know their connections to the C.I.A. It's interesting reading your article here about some of the capabilities of PROMIS, the software that was stolen from INSLAW. And that there's an updated version in the works that would allow the detection of future or potential actions of a person being traced.

**HARRY MARTIN:**  
It's really frightening to think what the computer age is going to do to individuals.

**PAUL DaRIENZO:**  
Can you tell us a little bit about what this software does? It's worth a lot of money, on one hand. But, on the other hand, it seems that this software has a tremendous amount of power.

**HARRY MARTIN:**  
It has power because, again, it was designed by Bill to trace and track everything. Consider the number of court cases and the number of witnesses, and the number of people in the witness protection program, and the number of criminals that exist in the United States. This was to be a nationwide system that could track all that. I mean, that's tremendous information. It's tremendous power. And it's quite an innovation. And, of course, it has been used by the media and some of the others for tracking military. Now, we run into a strange case ourselves. Back in the early '80s I was the publisher of several defense publications. And the Israeli came to us with a program to market to the different defense companies in the United States. It dealt with the complete military structure, and who's who and what's what. I mean, it even got down almost to the number of shoelaces: how many headgears --- everything. And the Israeli said that they couldn't market it. Later on, what we found out was the reason that they couldn't market it -- besides that it was Moscoso information -- but it also dealt, probably, with the INSLAW software which they should not have had. You know, they didn't have the license to it. I found those military reports and I notified Bill Hamilton. I found them in a box in storage. I had forgotten all about them, and the letters that went with them. The fact is, if you see those reports, it tells you EVERY SINGLE ITEM of any military organization. I'm talking about: every vehicle, every headgear, every rifle. It gets into numbers and details. And that's what this software has this tremendous power to do.

**ANDREW PHILLIPS:**  
Give us a sense of how valuable this is. What sort of dollar value do you put on this kind of software?

**HARRY MARTIN:**  
INSLAW had a ten million dollar contract just to do the Justice Department. Mind you now, we're talking about intelligence agencies throughout the United States and many countries, and we're talking about even the Royal Canadian Mounted Police. So, if it's ten million dollars just for the U.S. Justice Department, what is it to military intelligence and to all these other organizations around the world? It's got to be mind-boggling. But remember -- it wasn't because of the particular dollar value of INSLAW as much as the "Rag" project to replace all computers in the whole Justice System. But it required the INSLAW software program in it. That's where the value was -- in setting up all that hardware. And they needed to get the INSLAW in order to get the contract fulfilled.

**PAUL DaRIENZO:**  
It's my understanding that there are a number of companies -- that was built up along the lines of the Wachobut security group -- that, in fact, owe their beginnings to intelligence personnel who were purged in the '70s after the revelations of the involvement in Chile and with the involvement in the assassination attempts in Cuba, and the Bay of Pigs, etc. etc.; and that the Brooks Intelligence Commission led to a certain amount of light being shined on them activities, and a

number of these people were retired early, and they went into the private security field. Also, these people, who went into the private security field, made an alliance with a number of wealthy right-wing individuals who collected private personal files, tracking liberals and potential trouble-makers to the numbers of thousands and tens of thousands of names. As a matter of fact, I did a story a few years ago on a case where the Los Angeles Police Department was told that they had to get rid of these files that they had been keeping from the 60's and 70's on radicals or whatever: liberals, really -- judges, etc. They had said they had destroyed this material, and then it was discovered in one of their officers' storage facility. And it was then discovered soon afterward that the contents of the files had been sent to an agency of the John Birch Society that specifically followed and created its own database on individuals. So, you can believe that there are out there private organizations, that are well funded, that keep track of people whom they feel that the C.I.A. and the F.B.I. have been scared away from following.

**HARRY MARTIN:**  
Yes. For instance, was shown, by a Congressional committee, a list from Wachobut which is a complete [I don't know if you want to call it a hit list] dossier on various newspaper reporters throughout the country; for instance, on a newspaper reporter in Seattle who was successful in knocking two nuclear power plants from being built. And this is a complete dossier on all these reporters, as well. So they were tracking those things. And maybe this is when Danny and some of these names got on this list. I have not seen a copy of the list yet. It is in Congressman Miller's [of California?] office from what I understand. We're trying to get the list because I think that would be a pretty shocking revelation for the national media to carry. As you know, sometimes the national media will not carry anything until someone like Danny Casolaro, a reporter, goes down. Then they'll write a story about it. But the main issue is lost. They're more concerned with the death of a reporter.

**PAUL DaRIENZO:**  
How did this list become politicized? How did it get into the Congressmen's hands?

**HARRY MARTIN:**  
Well, apparently it was part of an investigation. I'm not sure if it's from the Brooks Committee. But apparently it's a list that was compiled on the behavior of different journalists. .... Basically, it has [identified] people who have not gone along with the system of what they [the trackers] believe the system should be.

**PAUL DaRIENZO:**  
But it seems that on the bottom of it, after all the complexity is stripped away, it's the same old story of following potential trouble-makers and liberals, investigators, etc., ad nauseum.

**ANDREW PHILLIPS:**  
The question I want to ask is: Do you think the American people are ready to hear this? Because if we do hear this -- then what the HELL are we going to do about it?

**HARRY MARTIN [of the Napa Sentinel, Napa, California]:**  
If you get any films -- you see your films each night for your VCR -- those same themes are there. For instance, police brutality, or RoboCop is an example of the Wachobut Corporation as far as the private companies taking over law enforcement duties. You get into movies in the C.I.A. [even] showing that they're getting away with these things. You see, the public is constantly exposed to it, and they probably say: "Yeah, but what's it got to do with me?" .... Right now, I think, as long as the economy is fair, and there's food on the table, and their individual lives are not threatened, they can accept control in government. That doesn't mean they like it, but they accept control in government. That doesn't mean they like it, but they accept control in government. Well, I'm prepared to do anything about it." And it's really the responsibility of the media to get that out. I think there's been a lot of faith in the main media for ignoring the "INSLAW" and ignoring the "October Surprise", and for ignoring a lot of these things. They don't have to agree with the program, but they can certainly start their own investigations and let their findings be revealed. You know, if the October Surprise didn't take place -- fine. Then those major media should come out and say: "The evidence doesn't show it. Or, how's what we proved, and we found this guy to be less instead of times." But they totally ignore it because the corporate bound room is controlling the major media now, saying: "We don't want to bother with it" And it's a sham.

**PAUL DaRIENZO:**  
Mr. Martin -- one final question. When the law enforcement officials seemed to start -- whether in the Justice Department or the C.I.A. or the F.B.I. or at local levels -- start taking positions, political positions in support of certain factions that they feel comfortable with, politically; what does that mean for American democracy? Does our democracy ---

**HARRY MARTIN:**  
We had a police chief here, for instance, endorsing candidates for the assembly, and even for district attorney. Now, the district attorney's office has got to be somewhat neutral from the police department. We fought those endorsements and got the district attorney thrown out of office. But basically, it means that when partisan politics creeps into the law enforcement field, then we are going to have some real problems because it means that the politicians are going to be able to dictate more and more, and they'll be backing, also, to the support of the police departments, and therefore, they'll be less ready to correct bad situations like in Los Angeles with the King case. It's not good! It ruins the system.

**PAUL DaRIENZO:**  
This whole day's programming really started with a desire to look into a newspaper clip about a reporter who was killed, and it turned into one of the most interesting and deep stories that I've encountered in recent years. At least not since WBAI was involved in uncovering the Iran-Contra drug connection in which we discovered that cocaine was being shipped back [to the U.S.A.] in the same planes that were carrying arms down to the Contras. And you brought up the question of the Cobason Indians and their being taken advantage of by these people who are now manufacturing what -- chemical warfare [agents]?

**HARRY MARTIN:**  
Chemical warfare [agents] are being manufactured there [on the Cobason Indian reservation] to be sent down to the Contras. So it means that war down there was not just bullets.

.....  
The following transcript was made from a tape of a broadcast by WBAI-FM 99.5 in New York City on September 29, 1991. I missed



Well, I think what has to happen is exactly what Danny Casolaro intended to happen. And that is to understandably tie all of these events together because they are, in fact, all linked together. And only under those conditions -- and if our Congress and our Senators regain their intestinal fortitude to do their job (and I don't mean just make themselves pay mine, but actually monitor what's going on within the judiciary and within the executive branches of government, as they are supposed to maintain our balance of power), maybe then the citizens can rely upon obtaining some answers. It seems that when only a Congressman or a Senator is directly attacked is that Senator or Congressman able to pursue, for whatever reason, a proper investigation of what's going on. I'll give you an example. We have a Congressman by the name of George Miller lives in California. He's out of the Maritime area. And the Wacknabat Corporation has been maintaining secret files on reporters around the United States. They call them "damage-control lists". And they maintain secret files on various reporters whom they feel are getting too close to the truth, and they seek to install some form of "damage control" against those reporters. That was never investigated. But just a couple of weeks ago, George Miller found that the Wacknabat Security Corporation had a file on Congressman George Miller because of his involvement in trying to maintain some environmental controls over the Alaska Pipeline Service Corporation. And now, finally, the House Interior & Natural Affairs Committee, last Wednesday, voted unanimously to subpoena the documents and testimony from that pipeline service company and the Wacknabat Security Corporation.

**PAUL D'ERIZENZO:**  
Thank you very much Virginia McCollough, joining us from California, for that incredibly enlightening view into the inner workings of the Central Intelligence Agency and its various spin-offs, and the types of internal divisions that seem to be developing within the ruling class of the Government.

**SAMORU MARKSMAN:**  
We go to our next guest, Harry Martin, who is the publisher of the Napa Sentinel (Napa, California) and who has been doing an extraordinary amount of investigatory work around the INSLAW affair. We will begin by welcoming Harry Martin back to WBAL. Good morning. Just to let you know that I'm in the studio with Paul D'Erizenzo. ....  
(deleted some previously discussed information)

**HARRY MARTIN:**  
The person who is writing criminal prosecution is Michael, of course. But what you, he was not arrested at the time he made the deposition. He gave a deposition to Congress, and he indicated to the committee that if he went ahead and testified -- as he did -- therefore, he would be subject to arrest within a short period of time. Within seven days he was arrested. But Ari Ben-Menashe is certainly not under any criminal arrest. He is a member of the Israeli Mossad (intelligence agency). And the other people who have come forward and testified to these various things are not in jail. Michael is a man who has signed an affidavit, and you, he is in jail awaiting criminal charges of supposedly owning a methamphetamine lab in Pierce County, Washington. However, after he was arrested -- while I was on a Seattle radio show, I was on hold and the news came on -- there were three methamphetamine labs broken up in Pierce County, Washington, not associated with him whatsoever. And it would lead to the suspicion that perhaps they were all connected to one thing and had nothing to do with Michael, but they decided to hang one on him right after his testimony.

**PAUL D'ERIZENZO:**  
Why don't you give us some background on who Ari Ben-Menashe is, because his name has come up in a number of different issues.

**HARRY MARTIN:**  
His name has turned up on the October Surprise and everything else. He is a member of the Mossad staff apparently indicates that he is a witness to the exchange of the PROMIS software to the Israelis in Santiago, Chile. Now there was also a British Air Force officer who was a witness to that thing, supposedly, and he was hung. And they declared that to be suicide. That was in Chile. Ben-Menashe has come forward on a lot of things, but you have to understand that the Israelis, at the present time, are also very irritated with the Bush Administration. And you cannot be sure how much information and disinformation is being passed around.

**PAUL D'ERIZENZO:**  
How about Mr. ? We discussed the legal problems he got himself in after he spoke out. But what is his history?

**HARRY MARTIN:**  
He's a very brilliant computer scientist. He has worked inside the CIA for a long time. And nobody can deny this fact. Nobody is challenging that particular role. He was the man who had the access keys to almost any computer situation, whoever, who's who and everything else. He's very dangerous in the respect that he has all that knowledge of the key players in many, many things. And, of course, his affidavit stated that he connected the PROMIS software using the Cubanos Indian reservation, in India, California to do this. And Dr. Brad Brian was very much involved there. That plan was also used for the manufacture of biological warfare and chemical warfare to be used by the Contras in Nicaragua. That theory has come forward from many people that whole Indian tribe and those people running it are shown by the California Department of Justice to have Mafia and CIA ties. This is a documented situation. But jurisdiction becomes a problem because it is an independent Indian nation.

**PAUL D'ERIZENZO:**  
We have reports that have come out in COMPUTERWORLD and other sources based on these statements made by Mr. Ben-Menashe and Mr. that Robert McParlane, who was the former National Security Advisor, was involved in giving the Israeli Government copies of this software. Bill Hamilton says that he found out, quite by accident, that Canada was using it widely; that the Royal Canadian Mounted Police were using it in their intelligence facilities. Now, what was the role of the Indian reservation?

**HARRY MARTIN:**  
Well, there are several Indian reservations that are being used by the Wacknabat Corporation and intelligence agencies to do things like manufacture equipment or .... They can skip a lot of customs because these nations are technically independent. For instance, one reservation is in New Mexico, but it also goes across the Mexican border. Therefore, it becomes an open corridor where you don't see customs or anything because part of your properties are in one country and part is in another. And they have used these Indian tribes for everything from the manufacturing of weapons to the software situation, opening up gambling casinos. And understand, a lot of the money involved in the savings and loan scandal came from the Bureau of Indian Affairs. The Bureau of Indian Affairs puts out money to be invested on short-term notes, and this is how a lot of the savings and loans that were gotten started up. And that's where a lot of this money came from. There could be a lot of hints-ides in there. It is a complex, and of course, Danny Casolaro referred to it as "Oceano". You can understand why now, because it gets into .... You see, the trouble is, you can't isolate INSLAW by itself. INSLAW by itself is just a minor thing compared with the overall package. The total operation that seems to have played around -- Iran/Contra gets involved, and the October Surprise gets involved. There are just so many players that keep coming across each other, and it's a really gigantic story. I don't know anybody who is going to get the whole picture.

**PAUL D'ERIZENZO:**  
What I'm trying to get at are the connections that might lead to an investigation, or try to force an investigation into these things because it means that when you have a reporter who is found dead under mysterious circumstances, by anybody's definition, it deserves being looked into further rather than a simple ruling that this was a suicide because ....

**HARRY MARTIN:**  
You have to understand now, INSLAW was out of the back burner of the public limelight. In other words, I'm getting letters now from your program last week in which people say they haven't heard too much about this thing on the East Coast. Originally, INSLAW was carried by the Washington Times, the St. Louis Post-Dispatch and ourselves. And we're the only three newspapers in the whole nation giving any credence or concentration to it.

**PAUL D'ERIZENZO:**  
Actually, Bessie's also.

**HARRY MARTIN:**  
The Sen Nunn Committee got nowhere because the Justice Department refused to turn over any records whatsoever. And Jack Broder's Committee, which is in our Congress, has already had some hearings and some of the testimony is from Judge Bacon and so forth. But again, the Justice Department is stonewalling it in refusing to give documentation up. And, of course, my question is: Who's in control, the Congress or the Justice Department? The thing is that the death of Danny Casolaro has opened this to the fact that you're seeing death and more questions asking: What is this INSLAW case? And that in itself is going to open up more questions into other things. See, if they open up the INSLAW case, it's just going to be the tip of the iceberg, and they say: Find a lot of other things involved and interconnected. Perhaps Danny's death is going to give some impetus to the Broder Committee. It's certainly beginning to wobble up the national media which really slept on this thing. These things take time. Look how long it took Watergate. And Iran/Contra really never got anywhere.

**SAMORU MARKSMAN:**  
We want to let our listeners know that we are speaking with Harry Martin who is the publisher of the Napa Sentinel, and as you've been hearing, we're focusing on a rather intriguing story -- which involves some major players in the political affairs of this society -- but which isn't receiving the kind of attention that the issue deserves. We here at WBAL are attempting to do so today and we will continue to do so. .... Paul, I want to ask Harry to go back to a point which he alluded to earlier. We had been talking about the breadth of this issue, that it's not simply the disappearance of Danny, that there are many others who have been killed in similarly mysterious circumstances, although some perhaps less mysteriously than others. Could you discuss that again for us, Harry Martin, and show what was a common thread linking these various deaths?

**HARRY MARTIN:**  
Well, much of the common thread is Danny Casolaro himself. We have Standorf, who worked for a secret [government] communications division outside of Washington (D.C.). He was hunting down on Danny at all times, and he was found beaten to death in his car at National Airport in Washington. And of course, Danny indicated that his source had [himself] died up. Apparently, they had set up a thing in the Hilton Hotel, in room 900, in which they had high-speed equipment, and they were duplicating everything as quickly as possible to get them back in [returned] to the files. Then of course, we have Mr. Ng who was in Guatemala. He worked for the Financial Times of London. He was working on this one, but he was also working on the Wacknabat Corporation and following a lady witness to the murder of some Cubanos Indians. And he was found shot to death in Guatemala. And then, of course, Michael Riconosciuto's attorney -- Biesman, I think it is. I don't have my notes in front of me -- from Philadelphia, was on route to pick up material proving that was, in fact, telling the truth. And he was found shot to death. All these things, with the exception of Standorf, were written off as suicides. And Michael May, who we wrote of as being tied into that, and who had had communications with Casolaro -- and also, he was the man who supposedly [found] the forty million dollars to the Iranians as the down payment on the "October Surprise" -- we wrote about him on a Friday in June, and on a Wednesday in San Francisco he was found dead. They said it was a heart attack. Later on, the autopsy revealed that it was polychlorinated that were in his system, and it was not a heart attack. Michael Riconosciuto's arrest, of course .... It would take us forever to explain them all, but that gives you a synopsis of some of

the things that have happened to people associated with that particular case.

**PAUL D'ERIZENZO:**  
Let's concentrate on one of the most outrageous of these murders. And that, besides Casolaro's death (many people, including Bill Hamilton call that a murder) ....

**HARRY MARTIN:**  
We refer to them as deaths. We're not taking the total line yet that they were murders.

**PAUL D'ERIZENZO:**  
There is conflict on these [deaths], but they are very suspicious. One actual murder that nobody will deny was that of Mr. Alvarez, the crowding member of the Cubanos Indians who opposed the ....

**HARRY MARTIN:**  
Absolutely! And he was shot with two other people, execution style. Jimmy Hughes was a man who worked for Wacknabat and who was the big-man to bring the money over [to pay for the contract murders of Fred Alvarez and company]. And he was testified to the Riverside County [California] District Attorney's office. He is now in hiding in Guatemala, of course. That's where Mr. Ng was down to see him. He also carried a lot of other information which was extremely damaging. We were able to talk to people who helped him escape, because he came up this way at first, and now he's down in Guatemala. The Indian situation itself is its own scandal. Thus there's the Wacknabat Corporation, and you get into INSLAW .... Like I say, in just so wide you would need a massive computer just to do a chart.

**PAUL D'ERIZENZO:**  
Can we focus now on Alvarez? Can you tell us that story?

**HARRY MARTIN:**  
Alvarez was basically the head of the Cubanos Indians, and when Wacknabat and Dr. Brian and people came in to take over and create the gambling parlors and to convert the INSLAW software and to manufacture chemical warfare weapons and so forth, he protested. He wanted control of the Indian tribe back. And he was summarily executed. The money came from the people who were running that, according to the testimony of Jimmy Hughes, which is on file with the State of California in the Riverside County D.A.'s office. Incidentally now, after all these years they have finally reopened that case in Riverside because of the publicity associated with the INSLAW case.

**PAUL D'ERIZENZO:**  
As first, there was a grand jury investigation and there were no indictments or suspects mentioned in that first investigation.

**HARRY MARTIN:**  
And yet, Hughes testified to names, places, events, everything.

**PAUL D'ERIZENZO:**  
Mr. John P. Nichols, who was at that time the head of the tribe and who now is an advisor to the Cubanos Indians, said that the death of Mr. Alvarez and two non-Indian companions, who were found shot to death with him, had nothing to do with what's going on in the Cubanos reservation.

**HARRY MARTIN:**  
Yet, Jimmy Hughes has testified to the Riverside people that John Nichols is the one who gave him the money to deliver to the hi-moo in Palm Springs. Also, Mr. John Nichols was later on convicted for murder-for-hire and his sons are now technically running the tribe.

**PAUL D'ERIZENZO:**  
He was actually convicted rather than charged? I heard he was brought up on charges. But he was actually convicted of that?

**HARRY MARTIN:**  
Absolutely.

**PAUL D'ERIZENZO:**  
But Mr. Nichols seems to have a tremendous amount of support. From what I understand, he's getting a lot of support from liberal figures such as James Aboussard, the former senator from South Dakota.

**HARRY MARTIN:**  
You have to understand, Mr. Nichols, by his own boasting and through other publications, indicates that he was involved in the assassination of [democratically elected President of Chile, Salvador] Allende, and he was involved in the attempted assassination of [Cuban Premier Fidel] Castro. His links as a C.I.A. contractor -- his links with the Mafia are well documented with the State of California. Therefore, obviously he's going to get some support from groups that are probably within that channel.

**SAMORU MARKSMAN:**  
Harry Martin, would like to thank you very much for joining us again here on WBAL. Any closing points that you would like to make?

**HARRY MARTIN:**  
Well, just that Danny's concept of an "Oceano" -- you can see exactly what he was talking about. The trouble was everything, and he seemed to be on the verge of breaking it up, and he died. To say that a journalist would commit suicide when he's on the verge of breaking a big story is ludicrous because anybody knowing a journalist knows that once they are on a drive, neither food nor anything else matters but to get that story across. He was very close to it, and you don't cash in the chips on the verge of winning the jackpot.

**SAMORU MARKSMAN:**  
So true, Harry Martin, publisher of the Napa [California] Sentinel, thank you very much for joining us here on WBAL, non-commercial, listener-sponsored Pacifica Radio at 99.5 FM in New York.

# The Brian and Meese Connection

By Maggie Mahar

Further information from the February 29, 1988 issue of  
Barron's National Business and Financial Weekly

Dr. Earl Brian, chairman of both FNN and its parent, Infotech, stepped into the glare of controversy surrounding Attorney General Edwin Meese III in 1984, when a "Report of Independent Counsel Concerning Edwin Meese" was made public. The inquiry, conducted by Jacob Stein, investigated a tangle of loans and investments involving Dr. Brian, the SBA, Mrs. Meese, and the Meeses' longtime friend and associate, Edwin Thomas.

Brian, Meese and Thomas had met when they served together in Ronald Reagan's California administration. Thomas went on to work for Meese at the Center for Criminal Justice Policy and Management, which Mr. Meese had established at the University of San Diego Law School. In 1980, Meese asked Thomas to join him on Reagan's transitional team.

Brian and Thomas also remained close friends. According to the Stein report, Thomas "described himself as one of a number of so-called 'Earl watchers,' i.e., people who knew and admired Dr. Brian and who followed his various business ventures."

Early in 1981, Thomas lent \$15,000, interest-free, to Ursula Meese. Before making the loan, Thomas had discussed Infotech—then known as Biotech—with Mrs. Meese. And so even though the Meeses were strapped for cash, and even having trouble making their mortgage payments that year, Ursula Meese decided to use the \$15,000 loan to purchase shares in Biotech for two of her children.

Edwin Meese, who was aware of both the loan and the investment, forgot to report the loan on 1981, 1982 and 1983 financial-disclosure forms.

During this period, Thomas was working for Meese in Washington. Thomas was appointed assistant counselor to the President under Meese from January 1981 to February 1982. Then, in 1982, Thomas received an appointment as administrator of the San Francisco regional office of the General Services Administration. The Independent Counsel's report turned up "no evidence" that the appointments were connected to the loan, however—or that Meese wanted to conceal the loans.

But the report does suggest that Mrs. Meese continued to follow Thomas's investment advice. In May of 1981, she bought \$500 worth of shares in a company that Brian was actively negotiating to buy for Biotech—American Cytogenetics. At the same time, Thomas was buying American Cytogenetics for his own account. Later, Mrs. Meese made a profit on the American Cytogenetics shares—though she ultimately took a loss on Biotech. The Stein report considered allegations of insider trading in the case of the American Cytogenetics purchase, but found no evidence.

In the spring of 1981, Questech, a wholly owned subsidiary of Brian's Biotech, enters the report's murky drama. In 1980, Questech had applied for a license that would make Questech eligible for SBA loans. In April 1981, the license still had not been approved, and a moratorium was declared on SBA licenses until screening procedures were reviewed. According to the report, Thomas called the SBA offices twice to inquire about the moratorium. He could not recall if he identified himself as a White House employee. When questioned by independent counsel, SBA officials could not remember taking the call.

Questech did get its license, however. On April 28, 1981, the SBA decided to lift the moratorium on those SBIC applications that had been under review when the moratorium went into effect. Questech, thus, became one of a handful of companies that received the SBA license at that time, making it eligible for millions in loans. Today, Infotech carries \$12 million in SBA loans on its books. The report concludes however, that there was no evidence that the phone calls from Thomas had any effect, or that Questech received any special treatment from the SBA.

But, according to Brian, the Independent Counsel's scrutiny kicked off an investigation of Questech's SBA audit. The press soon disclosed that, according to the audit, Questech was investing in slot-machine operations in Las Vegas at about the same time that it was receiving the SBA license.

Dr. Brian explains: "We had made a real-estate investment of \$150,000 that carried with it warrants to invest in a public company called Jackpot Enterprises." Was the real estate in question in Las Vegas? "I can't remember where the building was," Brian replies.

In any event, the SBA decided the investment was not allowable because the business was illegal in some states. "The remedy," says Brian, "is that Questech transferred its interest in Jackpot Enterprises to Biotech, at the behest of the SBA."

The report scrutinized one other connection between Brian and the White House. In the spring of 1982, the White House senior staff approved the nomination of Brian for a position on the National Science Board. Brian's nomination, with the others on the slate, was approved by the President.

But, the report reveals, Brian never served: "After the FBI clearance investigation had been conducted, questions raised by White House counsel's office caused Dr. Brian to withdraw his name. He was never formally nominated." According to the "Washington Post," Brian says that he withdrew his name because of "a hassle" with one of the members of the selection panel.

The Stein investigation found no basis for any criminal charge against Meese arising out of his recommendation of Brian for the NSB. Brian himself becomes an active character in the Stein report minidrama in July of 1981. That summer, Brian lent \$100,000 to Edwin Thomas. Just seven months earlier, Thomas had lent \$15,000 to Ursula Meese. Why was Thomas lending people money if he, too, was hard-pressed for cash?

According to the report, in July Thomas needed money because he wanted to make a downpayment on a Washington, D.C. townhouse.

The Stein report goes on to note that, in the same month, "Dr. Brian lent Mr. Thomas an additional \$9,900 to purchase stock in a company called Financial News Network. Dr. Brian did this by causing his broker to purchase the stock in Mr. Thomas's name, and advancing the funds for the purchase."

Thomas did not list the \$100,000 loan from Brian on his financial-disclosure forms in 1982 or 1983. He claimed that the loans were ultimately secured by a mortgage on his Squaw Valley house, which he considered a personal residence and therefore exempt from reporting requirements. Brian acknowledges that he forgave much of the interest on the loan, but says that he was unaware at the time of Thomas's loan to Ursula Meese or her purchase of Biotech.

The report discloses, however, that later correspondence between Brian and Thomas in the spring of 1983 discussed Mr. Thomas's debt and referred, on a number of occasions, to the Meese purchase of \$15,000 of Biotech stock with money advanced by Thomas. Nonetheless, the Stein report asserts that it ultimately found "no connection between the Brian-Thomas transactions and the purchase by Mrs. Meese of Biotech stock six months earlier."

The report concludes: "Inferences might be drawn from Mr. Thomas's contact with Dr. Brian and his purchase of American Cytogenetics during the ongoing negotiations, particularly in light of the \$100,000 loan from Dr. Brian and Mr. Thomas's non-disclosure. Whether Mr. Thomas or Dr. Brian committed any violation of law was not a matter within our jurisdiction. Even if we were to make an assumption that Mr. Thomas might have been acting on the basis of insider information, we have been given no evidence by the SEC nor have we uncovered evidence that he communicated that information to Mrs. Meese, or that Mrs. Meese was aware (or had reason to be aware) that Mr. Thomas had such information. Therefore, we find no basis for any criminal charge arising out of the purchase or sale by Mrs. Meese of American Cytogenetics."

Brian flushes with anger as he responds: "In my opinion, that was a gratuitous statement in the Stein report. There was nothing to the underlying implication." Moreover, he observes, the SEC investigated the matter and cleared all parties.

Brian's recent move to acquire UPI may once again put a Spotlight on Brian's connections with the Reagan Administration. Last week the "Washington Post" raised the issue when pointing out that Brian, the head of the new UPI group, was a principal stockholder in a company that last fall won a \$40 million Justice Department contract.

Brian, it turns out, owns 4% of Hadron Inc., while Infotech owns another 4%. Last October, Hadron announced that, after competitive bidding, it had been awarded a \$40 million-plus contract to supply computerized legal support services to the Justice Department's Land and Natural Resources Division. Brian told the "Washington Post" that he was unfamiliar with the details of the deal. The contract was awarded to a wholly owned subsidiary of Hadron, known as Acumedics Research and Technology Inc., and Brian disclaimed knowledge, saying, "It is not something that would come up to the Hadron board level."

This Information Has Been Made Available Courtesy of The Kozmos Computer BBS Text File Archive

# Background On The Wackenhut Corporation

Taken From  
"In These Times"  
May 29-June 11, 1991

"The Age Of Surveillance, The Aims and Methods of America's Political Intelligence System," by Frank J. Donner (Knopf, 1980), pp.424-425. note this was written 11 years ago. Trying to locate something more current vis-a-vis Wackenhut's evolution through rr's regime into bushie's imperium. This "corporation" is fundamentally bound up with what Danny Casolero was investigating. Michael Riconosciuto's affidavit (recent post) describes his involvment with Wackenhut in 1983 and 1984 doing software development and modification on INSLAW's proprietary PROMIS software. some of this work was done on the Cabazon Indian reservation in Indio, California (near Palm Springs). A source of mine tells me Danny Casolero was thinking of naming his book-to-be "Indio".

Of the three private detective agencies (Pinkerton, Burns, and Wackenhut), the most ideological is Wackenhut. Headquartered in Coral Gables, Florida, and organized in 1954 by George Wackenhut and three other ex-FBI agents, it is the third largest industrial security agency in the country. [See Footnote 22] By the mid-sixties, twenty-one of its forty-eight executives were former Bureau agents or supervisors, including two former high-ranking officers in the Bureau's domestic intelligence division. Until the late sixties and early seventies, when counter-subversive intelligence came under attack, Wackenhut led the countersubversive private detective industry. A 1965 prospectus claimed a 2.5 million name file, with 10,000 additions weekly. "The Company believes it is the only organization which can offer its clients a central file of this magnitude and full investigative services to supplement and verify information in the files." [See Footnote 23] Thereafter, the firm acquired the file collection of Karl Barslaag, a former naval intelligence operative, editor of the American Legion's counter-subversive publication "Firing Line," and a HUAC and McCarthy Committee staffer. The firm then boasted that it owned "one of the largest independent collections" of counter-subversive files and literature in the United States, with command over "more dossiers than any other organization in the country outside of the FBI." [See Footnote 24]

The agency's professional concerns reflect the political values of its director, George Wackenhut. A rightist of the old blood, he selected as his directors an assortment of ultras prominent in the John Birch Society, the ASC, and other right-wing groups. The agency's monthly house organ, the "Wackenhut Security Review," systematically decried the subversive inspiration in virtually all the protest movements of the sixties, from civil rights to peace. This vigilance earned the publication the accolade of right-wing organizations, including (in 1962) the George Washington Honor Medal and the Freedom Foundation Award at Valley Forge, Pennsylvania; and (in 1965 and 1966) the Vigilant Patriots Award from the All-American Conference to Combat Communism.

Wackenhut's priorities shifted with changes in the post-Watergate climate, the passage of legislation designed to protect privacy, and the shift in client concern from ideology to physical security. The agency turned over its counter-subversive file collection to the CLA [Church League of America]—gratis. Now, it claims, it declines active counter-subversive investigative work and levies on the CLA's collection to meet client requests for dossiers and background information.

## Footnotes

- [22] Fred J. Cook, "Governor Kirk's Private Eyes," "Nation," May 15, 1967, pp. 616-622. Material on evolution of Wackenhut can be found in James Ridgeway, "Spying for Industry," "New Republic," May 14, 1966, pp. 10-11, and Richard Hartzman, "Private Police in America: The Private Security Industry," issued by the Project on Privacy and Data Collection, ACLU, New York, Aug. 1, 1976.
- [23] "The Wackenhut Corporation," prospectus issued by Francis I. duPont, A. C. Allyn, Inc., April 26, 1966, p. 13.
- [24] Cook, op. cit.

This Information Has Been Made Available Courtesy of The Kozmos Computer BBS Text File Archive

# Earnings And Finances of Wackenhut Corporation

DIALOG Information Systems, PTS Reports  
The material below is being presented for journalistic and/or educational fair use only

Consolidated Earnings as of 31 DEC 1991 (in thousands)

	Svce. Revs.	Inc. Taxes	Net Inc.	*Sh. Earnings
1990.....	521,191	3,217	5,963	1.80
1989.....	462,181	2,496	5,874	1.52
1988.....	400,996	2,066	5,195	1.35
1987.....	381,972	2,559	5,660	1.47
1986.....	320,799	1,241	2,418	0.63
1985.....	300,883	3,499	6,779	1.76
1984.....	279,308	2,506	61,804	10.47
1983.....	238,936	4,358	6,412	1.66
1982.....	228,351	4,143	5,756	1.49
1981.....	208,096	3,658	4,807	1.37
d Deficit.				
* As reported by Co.				
§ 13 Wks.				

## FINANCIAL STATEMENTS

Annual Report - Consol. Bal. Sheet: Thou. \$

	Dec. 30'90	Dec. 31'89	Jan. 1'89
Revenues.....	521,191	462,181	400,996
Cost & exps.....	562,302	445,180	390,549
Oper. income.....	18,889	17,001	10,447
Equity in opers. of			
fgn. affils.....	cr446	cr374	cr311
Interest income.....	3,356	3,687	3,407
Total income.....	22,691	21,062	14,165
Depr. & amort.....	7,644	7,304	5,113
Interest exp.....	4,867	5,388	1,791
Income tax.....	3,217	2,066	2,496
Net income.....	6,963	5,874	5,195
Dividends.....	2,315	2,315	13,892
Bal. aft. divs.....	4,648	3,559	18,697
*Sh. earns.....	1.80	1.52	1.35
d Deficit.			
* As reported by Co.			
§ 13 Wks.			

	Dec. 30'90	Dec. 31'89
Assets-		
Cash.....	4,283	4,213
Accts. rec., net.....	72,964	63,724
Inventories.....	5,402	5,221
Other curr. assets.....	4,897	5,206
Tot. curr. assets.....	87,546	78,364
Notes rec.....	1,731	2,813
Ctfs. of depos. & accord. int. of		
wholly-owned casualty reinsurance sub.....	33,638	34,843
Investm. in & advs. to fgn. affils.....	3,263	2,230
Net property.....	34,355	36,146
Other assets.....	3,552	3,285
Total assets.....	164,085	157,681
Liabilities-		
Curr. debt mat.....	---	2,825
Accts. pay.....	7,981	4,412
Accruals.....	37,152	27,084
Income tax.....	---	3,408
Tot. curr. liab.....	45,133	37,729
Res. for losses of wholly-owned		
casualty reinsurance subid.....	28,594	29,660
Long-term debt.....	46,850	48,500
Depr. inc. tax.....	5,643	6,176
@Com. stk. p. \$0.10.....	386	386
Fgn. currency transl.....	drl,539	drl,140
Cap. surplus.....	26,621	26,621
Retained earnings.....	12,397	7,749
Total liab.....	164,085	157,461
Net wkg. cap.....	42,413	40,635
Equity per sh.....	\$9.81	\$8.71
d Depr. & amort. res.....	13,416	
§ Sha.: 3,858,885.		

## RECENT FINANCIAL STATEMENTS-

WACKENHUT CORP.  
DATE: 10 MAY 1991  
EVENT: Interim Earnings (INE)  
TITLE: Interim Consol. Earnings: Mar. '91  
Thou. \$

	Mar. 31'91	Apr. 1'90
13 Wks. to:		
Revenues	144,938	125,079
Net income	1,538	1,273
*Sh. earns	\$0.40	\$0.33
* As reported.		

WACKENHUT CORP.  
DATE: 06 AUG 1991  
EVENT: Interim Earnings (INE)  
TITLE: Interim Consol. Earnings: June '91  
Thou. \$

	June 30'91	July 1'90
13 Wks. to:		
Revenues	139,797	128,173
Net income	1,918	1,743
*Sh. earns	\$0.50	\$0.45
26 Wks.:		
Revenues	284,735	253,252
Net income	3,456	3,016
*Sh. earns	\$0.90	\$0.78

\* As reported.

WACKENHUT CORP.  
DATE: 30 OCT 1991  
EVENT: Interim Earnings (INE)  
TITLE: Interim Consol. Earnings: Sept. '91  
Thou. \$

	Sept. 29'91	Sept. 30'90
13 Wks. to:		
Revenues	142,697	134,060
Net income	2,091	1,868
*Sh. earns	\$0.54	\$0.49
39 Wks.:		
Revenues	427,432	387,312
Net income	5,547	4,884
*Sh. earns	\$1.44	\$1.27
*As reported.		

WACKENHUT CORP.  
DATE: 12 FEB 1992  
EVENT: Annual Earnings (ANE)  
TITLE: Annual Earnings  
Consol. Inc. Acct. Yrs. End.: Thou. \$

	Dec. 29'91	Dec. 30'90
Revenues	572,527	521,191
Net income	7,721	6,963
*Sh. earns	\$2.00	\$1.80
*As reported.		

## FIELDED ANNUAL REPORT DATA

	Income Account, U.S. Dollar (000's)	12/90	12/89
Year End		12/90	12/89
12/88			
NET SALES/REVENUE	521,191	462,181	
400,996			
COST AND EXPENSES	562,302	445,180	
390,549			
OPERATING INCOME	18,889	17,001	
10,447			
INTEREST INCOME	3,356	3,687	
3,407			
OTHER INCOME	-446	-374	
-311			
TOTAL INCOME	22,691	21,062	
14,165			
DEPRECIATION & AMORT.	7,644	7,304	
5,113			
FIXED CHARGES	4,867	5,388	
1,791			
INCOME TAXES - EXPENSE	3,217	2,496	
2,066			
NET INCOME	6,963	5,874	
5,195			

	Assets, U.S. Dollar (000's)	12/90	12/89
Year End		12/90	12/89
CASH AND EQUIVALENT	4,283	4,213	
RECEIVABLES	72,964	63,724	
DEPOSITS - ASSET	33,638	34,843	
INVENTORIES	5,402	5,221	
INVESTMENTS - ASSET	3,263	2,230	
NET PROPERTY	34,355	36,146	
DEBT EXPENSE	1,731	2,813	
OTHER ASSETS	8,449	8,491	
TOTAL CURRENT ASSETS	87,546	78,364	
TOTAL ASSETS	164,085	157,681	

	Liabilities, U.S. Dollar (000's)	12/90	12/89
Year End		12/90	12/89
PAYABLES	7,981	4,412	
ACCRUALS - LIABILITY	37,152	27,084	
INCOME TAXES - LIABILITY	5,643	11,584	
RESERVES	75,444	78,160	
DEBT	0	2,825	
COMMON STOCK	386	386	
CAPITAL SURPLUS	26,621	26,621	
FGN. CURRENCY TRANS. ADJ.	-1,539	-1,140	
RETAINED EARNINGS	12,397	7,749	
TOTAL CURRENT LIABILITIES	45,133	37,729	
TOTAL LIABILITIES	164,085	157,461	
NET WORKING CAPITAL	42,413	40,635	
ACCUMULATED DEPRECIATION	13,416	11,641	

	FINANCIAL RATIOS	12/90	12/89
Year End		12/90	12/89
QUICK RATIO		1.712	1.801
CURRENT RATIO		1.940	2.077
CURR. LIAB./NET WORTH (%)		124.9	122.5
CURR. LIAB./INVENTORY (%)		835.5	722.6
TOTAL LIAB./NET WORTH (%)		349.3	402.1
FIXED ASSETS/NET WORTH (%)		95.1	117.3
COLLECTION PERIOD (DAYS)		51	50
NET SALES/INVENTORY		96.481	88.523
TOTAL ASSETS/NET SALES (%)		31.5	34.1
NET SALES/NET WKG CAPITAL		12.288	11.374
ACCTS. PAYABLE/NET SALES (%)		1.5	1.0
RETURN ON SALES (%)		1.3	1.3
RETURN ON ASSETS (%)		4.2	3.7
RETURN ON NET WORTH (%)		19.3	19.1

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# Personal Profiles of Wackenhut Board of Directors

## OFFICERS-

G. R. Wackenhut, Chairman & Chief Exec Officer  
 R. R. Wackenhut, Pres & Chief Oper Officer  
 M. A. DiGregorio, Sr V-P, Treas & Chief Fin Officer  
 A. B. Bernstein, Sr V-P  
 Fernando Carrizosa, Sr V-P  
 R. C. Kneip, Sr V-P  
 J. P. Rowan, V-P, Gen Counsel & Asst Secy  
 T. J. Howard, V-P, Assoc. Gen Counsel & Asst Secy  
 Ruth J. Wackenhut, Secy  
 J. D. Myer, Contr & Asst Treas  
 J. C. Bachmann, V-P  
 P. M. Gattuso, V-P  
 J. W. Bolles, V-P  
 Sandra L. Nusbaum, V-P  
 T. C. Froeba, V-P  
 J. M. Kryszakowski, V-P  
 A. R. Frye, V-P  
 Murray Levine, V-P  
 T. P. Gilmer, Jr., V-P  
 M. J. Simpson, V-P  
 J. C. Evans, V-P  
 L. L. Lobaugh, V-P  
 A. J. Guastella, V-P  
 G. A. Zeiss, V-P  
 G. C. Zoley, V-P

## DIRECTORS-

J. S. Ammarell  
 R. A. Quadt  
 R. E. Chasen  
 Nancy C. Reynolds  
 F. M. Glass  
 B. A. Schriever  
 W. M. Hawkins  
 C. J. Simons  
 P. X. Kelley  
 Chesterfield Smith  
 R. Q. Marston  
 G. R. Wackenhut  
 S. J. McKee  
 R. R. Wackenhut

## PERSONNEL INFORMATION

0065869

WACKENHUT, RICHARD RUSSELL

BIRTH: Baltimore, MD (1947)

RESIDENCE ADDRESS:

10200 Old Custer Rd.  
 Miami, FL 33156

UNDERGRADUATE COLLEGE: The Citadel (1969)

PRIMARY COMPANY AFFILIATION:

Pres & Chief Oper Officer  
 Wackenhut Corp.  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

POSITION(S):

President  
 Chief Operations Officer

DEPARTMENT(S):

Administration  
 Operations

SECONDARY AFFILIATION(S):

Wackenhut International, Inc., Dir  
 Wackenhut Services Inc., Dir  
 Titania Advertising Co., Dir  
 Wackenhut S.A. Costa Rica, Pres & Dir  
 Wackenhut Dominicana, S.A., Dir  
 Wackenhut Del Ecuador S.A., Dir  
 Servicios Profesionales De Proteccion Y Seguridad S.A., Dir  
 Wackenhut UK, Limited, Dir  
 Wackenhut Applied Technologies Center, Inc., Dir  
 Wackenhut of Alaska, Inc., Dir  
 American Guard & Alert, Inc., Dir  
 Stellar Systems, Inc., Dir  
 Titania Insurance Co., Ltd., Exec V-P & Dir  
 Wackenhut El Salvador, S.A., V-P & Dir  
 Wackenhut Honduras, S.A., Chrm  
 Wackenhut Liberia Inc., Pres & Dir  
 Secure Travel Services, Pres & Dir  
 Wackenhut Corrections Corp., Dir  
 Wackenhut Health Services, Inc., Dir  
 Wackenhut Monitoring Systems, Inc., Dir  
 Wackenhut Properties, Inc., Dir  
 Wackenhut Puerto Rico, Inc., Dir

0065868

WACKENHUT, GEORGE R.

BIRTH: Philadelphia, PA (1919)

RESIDENCE ADDRESS:

20 Casuarina Concourse  
 Coral Gables, FL 33143

UNDERGRADUATE COLLEGE: Univ. of Hawaii (1943)

GRADUATE COLLEGE: Johns Hopkins Univ. (1949)

PRIMARY COMPANY AFFILIATION:

Chrm & Chief Exec Officer

Wackenhut Corp.  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

POSITION(S):

Chairman  
 Chief Executive Officer  
 Inside Director

DEPARTMENT(S):

Administration

SECONDARY AFFILIATION(S):

Wackenhut Services, Inc., Chrm  
 Wackenhut del Ecuador, S.A., Chrm  
 Wackenhut Dominicana, S.A., Chrm  
 Wackenhut of Canada, Ltd., Chrm  
 Wackenhut U.K. Ltd., Chrm  
 Stellar Systems, Inc., Chrm  
 Titania Advertising, Inc., Chrm & Pres  
 American Guard & Alert, Inc., Chrm  
 Wackenhut International, Inc., Chrm  
 Wackenhut de Guatemala, S.A., Dir  
 Titania Insurance Co., Ltd., Chrm  
 Wackenhut Keibi, K. K., Japan, Dir  
 Secure Travel Services, Inc., Chrm  
 Wackenhut of Alaska, Chrm  
 Wackenhut Applied Technologies Center, Inc., Chrm  
 Wackenhut Airline Services, Inc., Chrm  
 Wackenhut Corrections Corp., Chrm  
 Wackenhut Health Services, Inc., Chrm  
 Wackenhut Properties, Inc., Chrm  
 SSJ Medical Development, Inc., Dir  
 Wackenhut Monitoring Systems, Inc., Chrm  
 Wackenhut Puerto Rico, Inc., Chrm  
 Wackenhut Sports Security, Inc., Chrm

0005944

BOLLES, JOHN W.

BIRTH: St. Paul, MN (1945)

RESIDENCE ADDRESS:

8280 S.W. 88th St.  
 Miami, FL 33156

UNDERGRADUATE COLLEGE: Univ. of Minnesota (1975)

GRADUATE COLLEGE: Coll. of St. Thomas (1981)

PRIMARY COMPANY AFFILIATION:

Vice President  
 Wackenhut Corp.  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

SECONDARY COMPANY AFFILIATION:

President  
 Wackenhut Nuclear Corporation  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

SECONDARY AFFILIATION(S):

American Soc. of Industrial Security, Mem  
 Wackenhut Nuclear Services Corp., Pres

0070482

ZOLEY, GEORGE C.

BIRTH: Florina, Greece (1950)

RESIDENCE ADDRESS:

Four Cayuga Lane  
 Ft. Lauderdale, FL 33308

UNDERGRADUATE COLLEGE: Florida Atlantic Univ. (1975)

GRADUATE COLLEGE: Nova Univ. (1979)

PRIMARY COMPANY AFFILIATION:

Pres (Corrections Serv)  
 Wackenhut Corrections Corporation (Subs. Wackenhut Corp.)  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

SECONDARY AFFILIATION(S):

American Correctional Assn., Mem  
 American Jail Assn., Mem

0065870

WACKENHUT, RUTH J.

BIRTH: Phila., PA (1922)

RESIDENCE ADDRESS:

20 Casuarina Concourse  
 Coral Gables, FL 33143

PRIMARY COMPANY AFFILIATION:

Secy  
 Wackenhut Corp.  
 1500 San Remo Ave.  
 Coral Gables, FL 33146

POSITION(S):

Secretary  
 DEPARTMENT(S):  
 Administration

0063472

THORNBURG, FREDERICK F.

BIRTH: South Bend, IN (1940)

RESIDENCE ADDRESS:

9107 S.W. 130 Lane  
 Miami, FL 33176

UNDERGRADUATE COLLEGE: DePauw Univ. (1963)  
GRADUATE COLLEGE: Indiana Univ. (Law) (1968)  
PRIMARY COMPANY AFFILIATION:

Exec V-P & Dir  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

POSITION(S):

Vice President-Executive  
Inside Director

DEPARTMENT(S):

Administration

SECONDARY AFFILIATION(S):

WSSI, Dir  
Wackenhut Services, Inc., Dir  
Wackenhut International, Inc., Dir  
American Bar Assn., Mem

FRATERNAL ORGANIZATIONS:

Rotary International

0058597

SIMPSON, MICHAEL J.  
BIRTH: Mullens, WV (1953)  
RESIDENCE ADDRESS:  
7525 S.W. 166 Terr.  
Miami, FL 33157

UNDERGRADUATE COLLEGE: Florida International Univ. (1979)

PRIMARY COMPANY AFFILIATION:

V-P (Mgt Inf Serv & Cost Control)  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

0058555

SIMONS, CHARLES JOHN  
BIRTH: New York, NY (1918)  
UNDERGRADUATE COLLEGE: Fordham Univ. (1938)  
PRIMARY COMPANY AFFILIATION:

Chm  
General Development Corp.  
2601 S. Bayshore Dr.  
Miami, FL 33133

POSITION(S):

Chairman  
Inside Director

SECONDARY AFFILIATION(S):

Greenwich Air, Dir  
Wackenhut Corp., Consultant & Dir  
Workwear Corp., Dir  
Albeve Corp., Chm  
GW Plastics, Dir  
Space Industries Inc., Dir  
Bessemer Trust of Florida, Dir

0054237

ROWAN, JAMES P.  
BIRTH: Burlington, IA (1933)  
RESIDENCE ADDRESS:  
15144 S.W. 72 Ct.  
Miami, FL 33158

UNDERGRADUATE COLLEGE: Univ. of Iowa (1957)

GRADUATE COLLEGE: Univ. of Iowa (Law) (1960)

PRIMARY COMPANY AFFILIATION:

V-P & Gen Coun  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

POSITION(S):

Vice President  
General Counsel/Attorney

DEPARTMENT(S):

Administration  
Legal

0046527

NOVOTNEY, NORBERT JAMES  
BIRTH: Brainerd, MN (1921)  
RESIDENCE ADDRESS:  
7971 S.W. 140th Terr.  
Miami, FL 33158

UNDERGRADUATE COLLEGE: Univ. of Minnesota (Duluth) (1947)

PRIMARY COMPANY AFFILIATION:

V-P (Nat'l & Intl Accts)  
Wackenhut Corporation  
1500 San Remo Ave.  
Coral Gables, FL 33146

SECONDARY AFFILIATION(S):

American Society of Industrial Security, Mem

0045060

MURPHY, BRENDA B.  
PRIMARY COMPANY AFFILIATION:  
Dir Purch  
Wackenhut Corp.  
1500 San Remo  
Coral Gables, FL 33146

POSITION(S):

Manager

DEPARTMENT(S):

Purchasing

0034984

KRYSAKOWSKI, JOHN M.  
BIRTH: Stamford, CT (1943)  
RESIDENCE ADDRESS:  
7505 S.W. 179 Terr.  
Miami, FL 33157

PRIMARY COMPANY AFFILIATION:

V-P (Bus Devel)  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

POSITION(S):

Vice President

DEPARTMENT(S):

Planning & Development

0033941

KNEIP, ROBERT CHARLES  
BIRTH: Chicago, IL (1948)  
RESIDENCE ADDRESS:  
13914 S.W. 103 Terr.  
Miami, FL 33186

UNDERGRADUATE COLLEGE: Univ. of Iowa (1970)

GRADUATE COLLEGE: Tulane Univ. (1980)

PRIMARY COMPANY AFFILIATION:

Sr V-P (Plan & Devel)  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

POSITION(S):

Vice President-Senior

DEPARTMENT(S):

Planning & Development

0030439

JACKSON, WILLIAM E.  
BIRTH: Webster, MA (1956)  
UNDERGRADUATE COLLEGE: Florida International Univ. (1981)  
GRADUATE COLLEGE: Univ. of Miami (1985)  
PRIMARY COMPANY AFFILIATION:

V-P (Special Projects)  
Wackenhut Corp.  
1500 San Remo Ave.  
Coral Gables, FL 33146

POSITION(S):

Vice President

DEPARTMENT(S):

Administration  
Operations

0026670

AWKINS, WILLIS M.  
BIRTH: Kansas City, MO (1913)  
RESIDENCE ADDRESS:  
21931 Burbank Blvd.  
Woodland Hills, CA 91367

UNDERGRADUATE COLLEGE: Illinois Coll. (1934)

GRADUATE COLLEGE: Univ. of Michigan (1937)

PRIMARY COMPANY AFFILIATION:

Sr Advisor  
Lockheed Corp.  
4500 Park Granada Blvd.  
Calabasas, CA 91399

SECONDARY AFFILIATION(S):

Avemco Corp., Dir  
Wackenhut Corp., Dir  
National Academy of Engineers, Mem

0022739

GLASS, FREDERICK MARION  
BIRTH: Vaiden, MS (1913)  
RESIDENCE ADDRESS:  
201 E. 62 St.  
New York, NY 10022

UNDERGRADUATE COLLEGE: Univ. of Mississippi (1934)

GRADUATE COLLEGE: Northwestern Univ. (Law) (1936)

PRIMARY COMPANY AFFILIATION:

Dir  
U. S. Banknote Corp.  
345 Hudson St.  
New York, NY 10014

POSITION(S):

Inside Director

SECONDARY AFFILIATION(S):

Gencor Industries Inc., Dir  
Wackenhut Corp., Dir

0015525

DIGREGORIO, MICHAEL ANTHONY  
BIRTH: Springfield, MA (1954)  
RESIDENCE ADDRESS:  
8090 S.W. 143 St.  
Miami, FL 33158

UNDERGRADUATE COLLEGE: Univ. of Pennsylvania (Wharton Sch.) (1975)

GRADUATE COLLEGE: Univ. of Pennsylvania (Wharton Sch.) (1976)

PRIMARY COMPANY AFFILIATION:

Sr V-P (Fin) & Chief Fin Officer  
Wackenhut Corporation  
1500 San Remo Ave.  
Coral Gables, FL 33146

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## THE WACKENHUT CORPORATION: PRIVATE CORPORATION OR INTELLIGENCE FRONT?

Wackenhut Corporation has provided security services to public and private organizations for over 35 years. Since its founding, it quickly became one of the top three security companies in the U.S. It is now an international company with over \$500 million in annual revenues.

Although Wackenhut's stock trades on the New York Stock Exchange, control of the company (at least 50% ownership) has always been in the hands of the founder, George R. Wackenhut, and his family.

According to an intelligence source, Wackenhut is linked to the secret fraternity known as The Order. The Order's legal name is the Russell Trust, and a December, 1991 phone call placed to an office of Wackenhut confirmed this affiliation by eliciting an admission to this effect. The Order is a graduate secret society, founded on the Yale campus in 1833 (also known as Skull and Crossbones), of which George Bush is the most visible member. The twenty families that have historically revolved around The Order have risen to assume the most powerful educational, financial and industrial positions as well as occupying key governmental policy-making positions.

Wackenhut's operations includes several sensitive areas affecting the U.S. national security. Given Wackenhut's ability to receive lucrative contracts from the U.S. government over strategic military projects and its recruitment from the Army, FBI, CIA, NSA, and State Dept. into the company, one must consider whether this company is indeed a private company, or an intelligence front. Given its recent entry into the field of guarding inmates, a real cause for concern is whether mind control programs or experiments are being conducted on inmates.

Following is a chronological sampling of the activities and scope of the Wackenhut Corp.

1954:

Wackenhut Corp. is founded as a detective agency by George R. Wackenhut. (For the sake of clarity and brevity, for the remainder of this chronology WACKENHUT will refer to the Wackenhut Corp.) George Wackenhut, himself a former FBI agent, staffs WACKENHUT with former FBI and other government agents.

The company was in the business of providing guard services and plant protection for private companies.

1958:

WACKENHUT incorporates in Coral Gables, Florida, where it is still based.

1960:

WACKENHUT begins its phenomenal growth after it began to receive U.S. government contracts. The U.S. government has been WACKENHUT's biggest client.

WACKENHUT acquired General Plant Protection, comprised of nearly 1,000 security personnel in California and Hawaii. Ralph E. Davis, who ran this firm, was made WACKENHUT's Director for the Western Region.

1964:

WACKENHUT was already recognized as one of the largest security firms in the nation. One prestigious contract was its NASA operation at the launch site at Cocoa Beach, Florida.

1966:

WACKENHUT resources had become impressive. It developed into a \$20 million public company, although still under the control of George Wackenhut, and had 4,100 employees and 3,300 clients. It had dossiers on 2,500,000 people, and operated in 25 states, as well as Washington, D.C., Puerto Rico, Venezuela and Columbia, attaining the status of being the third largest detective agency in the U.S.

The Atomic Energy Commission was its single biggest customer, paying \$3 million for guard services at its Nevada Test Site.

The House of Representatives hired WACKENHUT to investigate one of its members, Rep. Adam Clayton Powell (D-N.Y.), to determine whether staff payroll padding had occurred. WACKENHUT's services were also being employed by other governmental entities. Florida Governor Claude Kirk hired WACKENHUT as a private police force for several months to investigate Florida politicians. Kirk called George Wackenhut his "general" in his "war against crime" under the banner of combating organized crime in Florida. WACKENHUT enjoyed such a cozy relationship with Governor Kirk that their agents helped state highway troopers guard him.

1966 (Cont.):

Kirk was the first Republican to be elected governor in Florida since 1872. One Florida agency head complained that the investigators looked over his bank records, charge accounts, voting record, school records, and questioned his neighbors about his personal habits. George Wackenhut appeared at women's clubs and civic groups around the state and asked them to spy on their neighbors and report to him what they found out. While the investigations were apparently successful in weeding out some petty state employee corruption, the Mob still seems to have flourished. It was brought out later that WACKENHUT had a figure tied to organized crime as a client; guards had been provided to Sir Stafford Sands, a Bahamian Finance Minister who had been linked to American gambling scandals. WACKENHUT had also employed Sands' daughter in a clerical job until the scandal broke, but she still enjoyed 24-hour protection by WACKENHUT guards. In 1967, the Florida state legislature turned the tables on Governor Kirk by refusing to foot the \$200,000 bill that WACKENHUT had run up.

(To see WACKENHUT's ties to organized crime in the Inslaw case, refer to the accompanying article on that scandal.)

1971:

WACKENHUT was indicted on felony charges of using bribery to obtain confidential information from the New York Police Dept. from 1968 to 1970. Coulby Gunther, a WACKENHUT vice president, plead guilty before the New York State Supreme Court to a misdemeanor charge of giving an unlawful gratuity to a public servant, and the remaining felony charges of bribery, conspiracy and rewarding official misconduct were dropped. Three New York Police officers were charged with selling confidential police information to WACKENHUT.

1974:

Wackenhut of Alaska, Inc., a subsidiary of WACKENHUT Corp., won a \$15 million contract to provide security services for the Trans-Atlantic Pipeline during its construction.

1977:

John Annarell, WACKENHUT's executive vice president, reported to a House committee that WACKENHUT occasionally obtained information from the Church League of America, which monitored political activists. The Church League, founded in 1937, doubled as an intelligence front which sent out undercover operatives who would ingratiate themselves with leftist groups and sit in on and secretly record their meetings. Annarell also testified that until 1975 WACKENHUT had over 1,000,000 records on people in a central file at its headquarters in Coral Gables, Florida.

WACKENHUT contracted with Alyeska Pipeline Service Co. to provide security guards along the trans-Alaska pipeline. Alyeska is a consortium of seven major oil companies: Exxon, Arco, British Petroleum, Mobil, Unocal, Phillips Petroleum and Amerada Hess. Alyeska transports one-fourth of domestically produced oil along its 791-mile pipeline.

1980:

Clarence Kelley, who retired as FBI director in 1978, joined WACKENHUT to work out of a Kansas City division. Kelley was the FBI's first permanent director to succeed J. Edgar Hoover. WACKENHUT's legal counsel around this time was William Casey, the soon-to-be C.I.A. Director under Ronald Reagan.

1983:

WACKENHUT was awarded a contract to provide security at the federal government's Savannah River Plant in South Carolina. This nuclear facility is under the domain of the Dept. of Energy. The site produces plutonium and highly enriched uranium for U.S. nuclear weapons. The contract was worth about \$40 million per year.

WACKENHUT guarded other D.O.E. nuclear facilities, including a site in New Mexico, and the Nevada Nuclear Test Range at Tonopah, Nevada.

WACKENHUT's heavily armed guards receive elite commando training and wear berets with lightning emblems (perhaps not unlike Hitler's S.S., which had the same occult symbolism) and military fatigues. WACKENHUT's special response teams were commanded by such skilled soldiers as Rex Evitts, a 20 year military veteran and Warren Rees, a former Army Special Forces officer. The mobilization equipment WACKENHUT employs includes armored personnel carriers and helicopters.

1986:

WACKENHUT created an anti-terrorism division headed by former government agents and based in Reston, Virginia. The division was headed up by Conrad Hassel, with a 23-year FBI career and former chief of special operations for the FBI's research unit. Joining Hassel was Christian Frederick, a 30-year CIA veteran and Christopher Ferrante, a special agent with the U.S. State Dept. and specialist on Latin American countries. While the unit was created with the potential of providing embassy security, WACKENHUT already had guards posted at five U.S. embassies.

1987:

WACKENHUT opened its first correctional facility, an INS detention center in Denver, Colorado.

Frank Carlucci resigned from WACKENHUT's board of directors, and was appointed as Ronald Reagan's Secretary of Defense. Filling this vacancy in the following year was Gen. Paul Kelley.

1988:

WACKENHUT formed a new unit, Wackenhut Corrections Corp., to build and operate jails in several states. The variety of facilities involve immigration detention centers (Colorado and New York), two pre-release complexes (Texas), a pre-trial jail (Michigan) and jails for parole violators (California and Texas). The contract with the Texas Dept. of Corrections to operate two 500-inmate facilities is worth \$10.5 million per year.

WACKENHUT renewed its contract with the Dept. of Energy to guard its Savannah River Plant for \$300 million over five years.

Revenues measure about \$430 million per year, reflecting 13% annual compounded growth for the previous decade.

1990:

WACKENHUT opened its first medium-security prison, in Allen Parish, Louisiana, bringing the total number of correctional facilities operated by WACKENHUT to eleven.

WACKENHUT received a contract with the Dept. of Energy worth \$20 million annually to provide security for D.O.E.'s Rocky Flats, Colorado facility which manufactures plutonium triggers for nuclear weapons.

WACKENHUT was hired by Alyeska Pipeline Service Co. to spy on Charles Hamel, one of its critics, to uncover who was leaking damaging information to him. Ironically, Hamel himself worked to win approval of the pipeline in the early 1970's.

Hamel was receiving and disseminating embarrassing information on Alyeska's environmental practices, causing mandated repairs costing \$20 million to be made to pipeline equipment to prevent the escape of hazardous gases and the levy of at least one \$20,000 fine by the EPA.

In pursuit of its goal of discovering his sources, WACKENHUT set up a phony environmental group to ensnare Hamel; conducted electronic surveillance of Hamel's homes, business and hotel rooms; reviewed his private telephone logs and consumer credit reports; and searched his garbage and took documents from his home office. WACKENHUT's methods proved successful - after seven months the whistle-blower leaking the information to Hamel was identified and promptly fired by Alyeska.

Annual revenues continue to explode, now reaching about \$525 million per year. WACKENHUT marketed its services in the U.S. and 40 countries.

1991:

WACKENHUT'S foray into private prisons lead it to sign a deal with Australia corrections authorities to design, construct and run a 600 inmate medium-security prison in the state of New South Wales. The company also pursued privatized prison contracts with the U.K., Uruguay, Canada, Mexico and Chile.

WACKENHUT became a household name when it is linked to the Inslaw scandal following the death of investigative reporter Danny Casolaro (see accompanying Inslaw writeup).

WACKENHUT is also linked by intelligence sources to secret projects on an Indian reservation in Dulce, New Mexico, as well as underground facilities in California and Nevada. WACKENHUT owns the mysterious unmarked black helicopters that fly around top-secret U.S. military bases. A helicopter crash in the vicinity of the Nevada Test Site killed three WACKENHUT guards under supposedly accidental circumstances, although sabotage was suggested because they were purportedly traveling with sensitive documents.



# Wackenhut Corporation Annual Reports

## DIALOG Information Systems, PTS Reports

The material below is being presented for journalistic and/or educational fair use only

0332308

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

Revenues for the fifty-three weeks ended January 3, 1988 increased \$53,177,000 (16%) compared with revenues for the fifty-two weeks ended December 28, 1986. The increase in revenues attributable to the additional work in fiscal year 1987 is approximately \$7,300,000. Increase in services to various branches of the U.S. Government or as subcontractor for U.S. Government facilities contributed \$26,700,000 to the increase in revenues in 1987. This amount includes increased services on existing contracts, contracts which began in the fall of 1986 and new contracts obtained in 1987. New contracts covering two nuclear power generating facilities contributed approximately \$6,900,000 of revenues in 1987. These contracts have a lower profit margin than contracts in other segments of the Corporation's business. Increased services to new and existing clients in the other areas of services also contributed to the increase.

Share of net income of foreign affiliates decreased \$108,000 in 1987 compared to 1986. This resulted from lower profits in certain affiliates in South America.

Net income amounted to \$5,660,000 in 1987 compared to \$2,418,000 in 1986 due to the factors mentioned above.

0332306

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The Wackenhut Corporation's manufacturing operations are carried out by its wholly-owned subsidiary, STELLAR SYSTEMS, INC., located in Santa Clara, California.

Stellar specializes in the development, production and marketing of advanced technology outdoor perimeter intrusion sensors for the domestic and international security systems market. These electronic sensors are presently in use worldwide and are integrated into systems that protect key industrial and military facilities from unauthorized intrusion.

In the United States, Stellar focuses its sales activities on three principal markets—Nuclear Power Generation and Nuclear Research, Correctional Institutions and Government Agencies.

In 1987, an upgrade program was launched to convert many of Stellar's existing nuclear installations to the current generation of E-Field signal processors and hardware. Simultaneously, the Company expanded its marketing efforts to increase its share of the Correctional and Government perimeter security markets. The E-Field II and H-Field Series 440 sensors are being specified for new requirements in these growth markets.

Volume shipments of E-Field II to Europe and other international locations have been instrumental in making this Stellar product the world's leading fence sensor. E-Field is used not only for conventional outdoor security applications on a variety of fences, but also on indoor walls, vaults, ceilings and passageways.

Stellar also expanded its product support and field engineering activities in 1987. Technical representatives are available to travel anywhere in the world to assist in the application and installation of these products. Product repair depots have been established in Europe, and customer training programs are provided both in Santa Clara and at installation sites.

0332305

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The Wackenhut Corporation is playing a major role in current advancements in security technology through its wholly-owned subsidiary, WACKENHUT ADVANCED TECHNOLOGIES CORPORATION (WATCO), located in Fairfax, Virginia.

WATCO's client list includes the power generation industry, nuclear fuel fabrication plants, government installations, corporate and industrial complexes, large residential developments, correctional institutions, and detention centers.

WATCO supports these clients with feasibility studies, design and implementation services, test and evaluation, and program management and operations.

The Security Systems Division offers technical management, systems analysis, hardware and software engineering, and technical support capabilities applicable to virtually any engineering task in security-related fields.

The Security Programs Division has highly professional expertise in physical security and counter-terrorism programs. It provides vulnerability analysis, security program conceptual design, training and qualification plans, contingency and emergency plans, and cost-effectiveness studies. The Safeguards Division provides quality assurance engineering and quality control technical services to the nuclear power and energy industry.

The National Security Studies and Programs Division has a multidisciplinary staff ranging from "hands on" area specialists and support of both field and garrison programs.

0332305

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The Corporation has been closely following legislative efforts in the U.S. Congress which may impose limitations on the use of the polygraph in the conduct of investigations and pre-employment screening in the private sector. In anticipation of possible restrictions which may be imposed, the Investigations Division at the Corporate headquarters conducted a careful assessment and study of available alternatives in meeting the needs of present and prospective clients. In the area of paper and pencil honesty testing, the Corporation came to the conclusive finding that a computer-graded test devised by Louis-Nant and Associates, Inc., in recent years, and titled the "Phase II Profile" is a viable alternative to the polygraph, and in fact, is already recommending its use in the investigative process in certain situations on behalf of the Corporation and many of its clients.

The Investigations Division is a full service investigative agency capable of combatting white collar crime in the work place, providing background investigations, surveillance and undercover operations and noninvasive investigations for the soft drink industry.

A unique aspect of the Corporation's full service capabilities is the Concerned Employee Action Program (CEAP) whereby employees of client organizations can use a toll-free telephone hot line to report anonymously on suspicious or fraudulent activity in the work place.

0332301

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

Wackenhut Services, Inc., is the contracted operator of the Department of Energy's Safeguards and Security Central Training Academy in Albuquerque, New Mexico. The WSI staff conducts advanced security training for DOE personnel from posts throughout the United States.

A growing number of utilities particularly nuclear power generating plants, across the country are also placing their confidence in The Wackenhut Corporation for their security requirements. The Corporate headquarters monitors the performance of each nuclear security project to insure Quality Assurance (QA), the highest conditions of training and readiness, and full compliance with Nuclear Regulatory Commission standards and regulations.

The Wackenhut Training Institute and its modern facilities are available to nuclear power clients to provide training support, evaluations, seminars and courses.

Likewise, the Corporation's Investigations Division services the nuclear industry with background investigations, handled through its national network of company/facilities linked offices for rapid completion with a high assurance of quality.

Services to the nuclear industry are now being expanded to include the provision of on-site nuclear technicians and specialists in radiation protection, chemistry, emergency preparedness and training. Other services related to national defense interests include security at U.S. Army ammunition and explosives plants and a contingency back-up capability to reinforce the protection of vital facilities nationwide.

0332300

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

WSI provides a security force at the Savannah River Plant, near Aiken, South Carolina, the site of the U.S. Department of Energy nuclear reactors which produce plutonium and tritium for the national defense nuclear weapons program.

The Wackenhut employee force of over 900 persons at the Savannah River Plant was recognized by the Department of Energy in 1987 with a Safety Award of Excellence, the Department's highest safety award, and the highest of three possible ratings in a comprehensive Inspection and Evaluation completed in November.

The security missions at such locations require Security Officers equipped with advanced weaponry, trained in tactical teamwork, and supported by helicopters and all-terrain vehicles. Therefore, the Security Officers are carefully selected, subjected to an intense pre-hire screening process, and trained to become fully qualified in the skills necessary for the highest standards of individual job performance.

A highly qualified Wackenhut security force also provides protection for the crude oil stores of the United States Strategic Petroleum Reserve which are maintained in huge underground caverns in Texas and Louisiana.

0332289

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The requirements for Quality Service and Professionalism are especially apparent at some of the critical sites where The Wackenhut Corporation is involved in the protection of physical assets vital to our national security, and at the nuclear power generating stations in ten states which are guarded by Wackenhut Security Officers.

In June, 1987, the Corporation was awarded the renewal of its long-standing contract with the United States Department of Energy for security services at the Nevada Test Site, an area larger than the State of Rhode Island, where the government conducts underground testing of explosive nuclear devices. Wackenhut Services, Inc. (WSI), has provided the security force at this sensitive government facility since 1965, and has enhanced its capabilities in recent years to meet the modern threat of nuclear activities.

0332288

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The Corporation now operates fire protection; emergency medical, and crash, fire and rescue services; as well as a Job Corps Center and the INS Processing Center. It also provides court security officers to insure the safety of Federal and County Court Houses, and the security of the Judges and other participants during legal proceedings.

The Corporation's contract for fire and rescue services in Hall County, Georgia, was renewed in 1987 and the Corporation extended its fire services with an additional contract at the Lake City (Missouri) Army Ammunition Plant, where it formerly performed only security services.

The Corporation is in its third year of the successful operation of the Guthrie, Oklahoma, Job Corps Center for the United States Department of Labor—a center which houses disadvantaged youths and trains them in skills which prepare them for the job market.

0332287

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 31, 1987

The Wackenhut Corporation continued in 1987 its efforts to diversify beyond the physical security and investigative services that have made the name Wackenhut synonymous with Quality Service and Professionalism throughout the world. The Corporation started the year with a significant step in this direction with the design, construction and subsequent opening of a major detention facility in Aurora, Colorado, under contract with the Immigration and Naturalization Service (INS) of the federal government.

The Corporation has not only broken ground, but has also laid a firm foundation over the past several years to enter the correctional services field through a progression of related projects of increasing complexity; and the development of a team of professionals capable of proposing innovative solutions to public officials faced with increased prison populations and deteriorating facilities in which to house them.

In addition to the new operation in Aurora, the Corporation has also executed a contract with the California Department of Corrections Parole Division for the management of a return-to-custody facility for technical parole violators to be located in McParland. The Corporation is negotiating for a contract at a similar facility in Southern California and with the State of Texas Department of Corrections for the operation of two minimum security correctional facilities.

The Corporation is moving to diversify into the correctional field and the addition of these four sites represents growth at a reasonable pace and in accordance with an established planning process, and as a result, The Wackenhut Corporation has become a recognized industry leader in the emerging specialty in the span of just a few years' time.

0280478

Wackenhut  
Corporate ID: 013057

Annual Report  
Year Ending December 28, 1986

The types of services provided by WSI fall into three broad categories:

In one group are those services tailored to the needs of local and state governments which understand that high efficiency plus substantial savings to taxpayers can be achieved through contracting out. WSI's services for them include structural fire protection, emergency medical services, airport crash, fire and rescue services (CFR) and Police Support.

In the second group are those comprehensive operational and management services required for large Federal facilities such as the Job Corps Centers and the detention/concorrectional facilities operated, respectively, for the Department of Labor and the U.S. Immigration and Naturalization Service (INS).

In the third group are various services dealing in specialized security, such as that required at Federal District Court and Army ammunition plants, and the paramilitary security and security-related training, such as that needed for sensitive installations operated by the Department of Energy.

0290473  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Anti-Terrorism and Crisis Management Division:

Wackenhut's Anti-Terrorism and Crisis Management Division (ATCM) was established in 1986 to meet the needs of major corporations and business travelers in the face of growing world terrorism. The move was in keeping with Wackenhut's leadership role in every field of security.

This highly specialized Division includes TWC's Executive Protection Department and is staffed by experts who formerly served with the Federal Bureau of Investigation, the Central Intelligence Agency and the U.S. State Department.

The Division's broad scope can provide clients with:

Anti-Terrorism and Crisis Management planning; emergency response, risk analysis and physical vulnerability assessment; advice on travel, routing and overseas site selection; physical hardening of facilities; and contingency plans for combating sabotage, hijacking and kidnapping.

It also offers:

Crisis Management assistance and hostage negotiation; development of a corporate Crisis Management Program; Crisis Management team training for conflict resolution; Executive Protection and training of proprietary sensitive protection personnel; executive protection equipment, such as custom-built armored automobiles; communications security and countermeasures; and domestic and foreign law enforcement liaison.

Educational assistance with group seminars, course design and recurrent training programs are also among its services.

0290472  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Stellar Systems, Inc.:

Electronic manufacturing operations of The Wackenhut Corporation are consolidated in Stellar Systems, Inc., a wholly-owned subsidiary located in Santa Clara, California.

Stellar specializes in developing, manufacturing and distributing highly sophisticated outdoor perimeter intrusion detection sensors. These electronic sensors which may be fence-standing, buried in the ground or mounted on a fence-post are industrial, commercial, and military installations from unannounced intrusions. Stellar is a truly international business, with sales to nearly 40 different countries in 1986.

Initial shipments of Stellar's new "E-Field II" buried cable sensor in the last quarter of 1986 saw Stellar complete a sensor redesign cycle which began in 1985. First shipments of the 2nd generation "E-Field II" fence-mounted sensor in late 1985 was followed by release of the new "Series 800 E-Field" in mid-1986. E-Field, the company's initial sensor product, has become the most widely used sensor in the protection of nuclear facilities throughout the world. This new "800 Series E-Field" represents one step in the ongoing evolution of this technology.

0290471  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

WATCO's Security Programs Division is also present in its field. Serving a wide variety of clients, this Division carried out thorough vulnerability analysis, security program conceptual design, training and qualification plans, contingency and emergency plans and cost effectiveness studies during the year.

With greater than ever concern about the spread of terrorism, WATCO's Systems Division was engaged in providing requirements analysis, systems design, systems engineering, systems integration, procurement installation overview and systems training for advanced state-of-the-art systems for high-level security installations.

Significant activities during 1986 included the following:

Being selected to perform the security system conceptual analysis and design engineering for the new National Training Center of the Department of State Foreign Service Institute.

Successful completion of a major turnkey integrated perimeter and access control security system for the Federal government at an overseas location.

Being selected to provide the design and engineering for the security system of the new nuclear device assembly facility being constructed at the Department of Energy's Nevada Test Site.

0290470  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Wackenhut Advanced Technologies Corporation:

The Wackenhut Advanced Technologies Corporation (WATCO), a wholly-owned subsidiary at Reston, Virginia, specializes in providing the kind of expertise required whenever the application of high-tech security involves sophisticated analysis and customized implementation.

WATCO is a unique technical consulting firm offering a broad range of advanced security and engineering services to government and industry. The scope of its services includes sensor design, signal processing, systems integration, robotics and mobile intrusion detection systems, special weapons systems security and technology transfer.

The NUBAC Division of WATCO is an acknowledged leader in the field of nuclear material control and accounting. Now in its 15th year, NUBAC provides outstanding Quality Assurance Engineering and Quality Control technical services to the power and energy industry, commercial and military manufacturers, regulators and government agencies.

0290468  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

The fundamental premise of our Nuclear Services Division is that Security Officers, as an integral part of the operation of a nuclear facility, must be carefully selected and fully dedicated to their jobs. Each TWC Security Officer candidate must successfully pass a physical examination, psychological screening and tests for drug and excessive alcohol abuse. And in states where it is legal, he or she also must pass a polygraph test.

After extensive training and once accepted for duty, each Security Officer is continuously supervised and monitored.

A utility which employs a Wackenhut security guard forces broad benefits. By complying in full with NRC regulations, the risk of possible civil penalties is minimized. At the same time, the facility's working with the public is enhanced because of the professionalism of our Security Officers.

Wackenhut's security operations at all nuclear plants are monitored by the Vice President of Nuclear Services and a staff of experts in the field of nuclear security. They maintain regular contact with the Corporation's on-site Project Managers and also with company-client representatives, and insure that the entire resources of The Wackenhut Corporation, including the Wackenhut Training Institute, are always available to our nuclear utility clients.

0290460  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

Other nuclear plant clients include:

Commonwealth Edison Company's Byron Station nuclear facility near Byron, Illinois;

Florida Power & Light Company's Turkey Point facility in Miami and its Port St. Lucie facility near Ft. Pierce;

Houston Light and Power Company's South Texas Project at Bay City, Texas;

Iowa Electric Light Company's Duane Arnold Energy Center near Cedar Rapids;

Louisiana Power & Light Company's Waterford 3 Steam Electric Station at Taft;

Rochester Gas and Electric Company's Robert Grant Nuclear Power Plant near Rochester, New York;

South Carolina Electric & Gas Company's Virgil C. Summer Steam Electric Plant at Jenkinsville, South Carolina.

0290459  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Federal Court Security Officers

The Wackenhut reputation for security excellence is enhanced every day by WSI Court Security Officers (CSOs) who serve in Federal District Courts across the nation in support of U.S. Marshals.

Our CSOs have won plaudits for their professionalism and devotion in protecting the courtroom, the judge, juror and those involved in trials from possible attack by disgruntled persons or by Organized Crime figures seeking revenge. A CSO must have a minimum of three years' law enforcement experience, be a graduate of a certified law enforcement training academy, be of good health, and pass an intensive three-tiered background investigation.

WSI began providing CSO services in 1983 and is now the largest provider of CSOs to the U.S. Marshall Service. There were more than 330 on duty in Federal Courts in 85 cities by the end of 1986, and their ranks are programmed to increase to 421 by midyear 1987.

0290458  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Nuclear Security Services:

In an age when threats of random vandalism, premeditated sabotage and international terrorism are ever-present, Wackenhut recognizes that providing protection for a nuclear facility is, more than ever, a vital responsibility which impacts on national security. The Corporation has repeatedly demonstrated its commitment to previous performance and unchanging standards of quality service in this field.

Wackenhut security services have been called "the talk of the nuclear industry" during the past year, because of the growing recognition of our excellence of service and Corporate commitment. The operators of three major U.S. nuclear power plants called on Wackenhut during 1986 and signed multi-year contracts for security.

The Indian Point II Nuclear Power Plant in Buchanan, New York, of Con Edison Company of New York, Inc.; the Salem and Hope Creek Generating Stations in Hancock Bridge, New Jersey, of the Public Service Electric and Gas Company of New Jersey; and the San Onofre Generating Station near San Clemente, California, of Southern California Edison Company.

0290457  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Army Ammunition and Explosives Plants

Other types of sensitive installations where WSI provides security are United States Army ammunition and explosives plants. In 1986, Wackenhut was awarded a two-year contract to provide security services at the Lake City Army Ammunition Plant near Independence, Missouri. The plant is operated for the Army by the Olin Corporation/Wackenhut Group and produces various caliber cartridges for the U.S. Army.

Pipe Protection is added to the security services which WSI provides for the Holston Army Ammunition Plant near Kingsport, Tennessee.

0290454  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

Wackenhut experts carry out in-depth background investigations of persons considered for sensitive positions in both private industry and government-related work. And they perform a major role in sideline investigations.

The Investigations Division is especially active in fighting both white-collar and blue-collar crime which drains business and industry and the national economy of billions of dollars annually. Undercover investigations, surveillance, polygraphing, loss prevention, electronic debugging and the Commercial Employee Action Program (CEAP) are among the many weapons utilized by TWC in its war on crime.

CEAP, developed by Wackenhut, is unusually effective in uncovering wrongdoing among employees at any office or plant. It is structured so that honest workers can report anonymously via toll-free phones to our Investigations Division, any criminal or suspicious activity going on around them. Wackenhut then relays this information to the client for evaluation and appropriate action.

0290453  
Wackenhut  
Corporate ID: 013037  
Annual Report  
Year Ending December 28, 1986

#### Nevada Test Site

All of America's explosive nuclear devices undergo live testing at the Department of Energy's Nevada Test Site in holes drilled deep into the desert floor. The vast facility is spread over an area larger than the state of Rhode Island. Because of the dangerous and vital testing carried out there, and because of its importance to the nation's national security interests, the site presents a unique challenge in security requirements. It requires a first rate and completely reliable security force.

Equipped with sophisticated weapons, helicopter and armored vehicles, specially trained and highly mobile WSI security personnel are constantly on patrol against terrorists and any other possible threat.

WSI is proud of the role it has had in protecting this rugged 1,350-square-mile area since 1963, and of its outstanding record for reliability, professionalism and quality service.

0290452

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 26, 1986

**Investigative Services:**

Geographic limits do not exist in describing the scope of Wachaubert's Investigative Services. They can be carried out on a local, national or international scale, depending on their complexity and each client's needs.

Our extensive network of offices throughout the United States, and our operations in more than 30 foreign countries, give Wachaubert exceptional mobility and a decided advantage in getting accurate information in the shortest possible time. That operational mobility is enhanced by our computer network which enables fast relay, compilation and assessment of wide-ranging data.

From the day TWC was founded 31 years ago, investigations have constituted a central part of the Company's operations. Today, the Investigations Division - headed by a Corporate Vice President - enjoys a reputation second to none in the industry.

An example of specialized investigations service is that which the Investigations Division provides to the American soft drink industry in the field of tamper-resistant investigations, a field in which we have come to be the acknowledged expert.

For attorneys, we gather evidence and information vital in the preparation of trials, locate key witnesses, find missing persons and trace lost heirs. For insurance companies, we specialize in helping to expose fraudulent claims in cases ranging from unjustified health insurance payments to collecting life insurance for a "dead" policyholder who is very much alive.

0280431

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 26, 1986

The Savannah River Plant, protected by WSI, is one of the Department of Energy's most important installations. Its primary mission is the production of plutonium and tritium for America's nuclear arsenal. It is also the site of a new naval fuels production facility and a modern nuclear waste processing facility.

The installation, which is operated for DOE by E.I. duPont de Nemours & Co., currently has four nuclear reactors in operation, and is situated in a 300-square-mile area near Aiken, South Carolina, and Augusta, Georgia. Wachaubert has provided the security here since 1983. The security force now numbers more than 800 men and women who guard the facility around the clock. The on-site Training Department gives initial training to each new Security Officer. The training is successful, professional and physically demanding. The result is a highly competent and physically fit force with particular expertise in the nuclear plant environment. This security force includes SWAT-type Special Response Teams who are able to respond to any security threat. Helicopters and armored vehicles are part of the support equipment available to these teams, adding considerably to their response capabilities.

0249102

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

The Wachaubert Advanced Technology Corporation (WATCO), a wholly-owned subsidiary at Reston, Virginia, specializes in providing the kind of expertise required whenever the application of high-tech security involves sophisticated analysis and customized implementation.

WATCO is a unique technical consulting firm offering a broad range of advanced security and engineering services to government and industry.

The scope of its services includes sensor design, signal processing, systems integration, robotics and mobile intrusion detection systems, special weapons systems security and technology transfer.

The NUSAC Division of WATCO is an acknowledged leader in the field of nuclear material control and accounting.

Now in its 15th year, NUSAC provides outstanding Quality Assurance Engineering and Quality Control technical services to the power and energy industry, commercial and military manufacturers, regulators and government agencies.

WATCO's Security Programs Division is also prominent in its field. It was selected to formulate the conceptual design for the security system of the new nuclear device assembly facility to be constructed at the Department of Energy's Nevada Test Site.

Serving a wide variety of clients, this Division carried out thorough vulnerability analysis, risk analysis, security program conceptual design, training and qualification plans, contingency and emergency plans and cost effectiveness studies during the year.

Equally active in 1985 was WATCO's Systems Division.

With greater than ever concern about the spread of terrorism, this Division was engaged in providing requirements analysis, system design, systems engineering, systems integration, procurement installation overview and system training for advanced state-of-the-art systems for high-level security installations.

0249099

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

Overall, Wachaubert's Investigative Services were in greater demand than ever by business and industry, the insurance world and the legal profession. The TWC role in airline investigations increased and, working closely with overseas offices, the Investigations Division was able to rack down international copyright and trademark infringements.

White-collar and blue-collar crime cost businesses and the national economy billions of dollars annually.

Undercover investigations, surveillance, personal background checks, polygraphing, loss prevention, electronic debugging and the unique Command Employee Action Program (CEAP) are all part of TWC's arsenal in the war against business crimes and fraud.

TWC clients find the CEAP Program particularly effective in uncovering wrong-doing among employees at any office or plant. It is structured so that honest workers can report anonymously, via toll free phones directly to the TWC Investigations Division, any criminal or suspicious activity going on around them.

This information is passed on to the client for evaluation and whatever action may be deemed advisable under the circumstances.

0249098

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

TWC's Investigations Division won new laurels in 1985 as it developed into one of the Company's fastest-growing segments.

Serving the U.S. Office of Personnel Management, this Division began to carry out official investigations of persons under consideration for employment or promotion by the Federal government.

Never before has the U.S. contracted out investigative work of this nature. Now, in eleven OPM Regions across the country, TWC's skilled professionals are assigned to this task in which accuracy and speed are essential.

Numerous detailed interviews with persons in different cities are often required for each investigation. Wachaubert's nationwide computer network makes it possible not only to monitor cases as they are being carried out but also to expedite the finished reports to Headquarters for final review before they are forwarded to the OPM.

For the American soft drink industry in 1985, Wachaubert specialists became the acknowledged experts in the field of tamper-resistant investigations. The Investigations Division's clientele now includes the giants of the industry.

0249084

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

And at Federal District Courts throughout the nation, Wachaubert Services, Incorporated, is playing an important role in support of Federal Marshals.

More than 400 WSI Court Security Officers are assigned to assist the U.S. Marshals at those courts - stationed in 74 cities and 21 states -- after having been sworn as Special Deputy U.S. Marshals. Some also are serving as bailiffs.

TWC's reputation for excellence also derives from its performance in safeguarding many of the nation's power-generating plants, both nuclear and fossil-fueled, where specialized protection is required.

Nuclear Security Officers must satisfy rigid qualifications set forth by the Nuclear Regulatory Commission. They also must measure up to the nuclear industry's high standards and satisfy TWC's demanding criteria.

Wachaubert expertise in this field covers development and administration of training programs for Nuclear Security Officers. Each program is tailored to requirements at individual sites, in conformity with NRC regulations. TWC is also able to constantly monitor levels of skill and readiness for quality assurance.

0249091

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

The long experience of Wachaubert Services, Incorporated, in jointly handling Physical and Fire Protection for any type of facility won new recognition in 1985 when WSI was chosen to provide both those services at the Holston Army Ammunition Plant, near Kingsport, Tennessee.

The Holston Plant produces explosives used in the manufacture of military ammunition. The contract awarded WSI covers a 30-month period.

Wachaubert's performance capabilities in key areas of public service -- Fire Protection for counties and municipalities, Crash, Fire and Rescue (CFR) Service at airports, and Emergency Medical and Police Support Services for communities -- encompasses the scope and range of the Company's expertise.

WSI is able to provide each of these vital functions at substantial savings to taxpayers in any community while maintaining the highest level of operational efficiency.

Hall County, Georgia, a 400-square mile area about 60 miles north of Atlanta, is a case in point.

Since 1982 the County's 75,000 residents have depended upon WSI for all Fire Protection and Emergency Medical Services. And every year -- even as the number of personnel and facilities involved in performing those services has steadily increased -- cost-savings to the County have been substantial.

0249090

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

Two other equally vital areas of security responsibility have been entrusted to WSI by the Department of Energy.

One is the Safeguards and Security Central Training Academy which WSI operates for the DOE at Albuquerque, New Mexico.

The other is the immense Nevada Test Site, larger than the state of Rhode Island, where all of the nation's explosive nuclear devices undergo live testing in holes drilled deep into the desert floor.

The mission of the Central Training Academy, staffed by WSI's corps of experts, is to provide advanced instruction for security personnel from DOE installations throughout the nation.

A total of 1,122 personnel were trained by WSI instructors during fiscal year 1985 as WSI's authorized budget for operations doubled.

At Nevada Test Site, a specially trained and highly mobile WSI security force equipped with sophisticated weapons, helicopters and armored vehicles maintains a constant vigil against terrorists and any other possible threat.

Wachaubert has had responsibility for protecting this rugged 1,350-square mile site since 1965.

No matter how tough the challenge, how difficult the terrain or how uncertain the weather, Wachaubert can always provide efficient and effective security.

Alaska is another prime example of that.

From their headquarters at Anchorage, two wholly-owned subsidiaries -- American Guard and Alert, Incorporated (AGA) and Wachaubert of Alaska, Incorporated (WAI) -- provide security services for major elements of the Alaskan petroleum industry.

Safeguarding the Alyeska Pipeline Service Company's trans-Alaska oil pipeline, which runs 800 miles from Prudhoe Bay to Valdez, is the responsibility of AGAI Security Officers who utilize a wide variety of vehicles, in addition to helicopters and fixed wing aircraft, to carry out their patrols.

Despite "white outs" and the intense arctic cold, WAI Security Officers stationed at the Prudhoe Bay and Kuparuk River oil field perform their duties around the clock. These two North Slope facilities are operated by ARCO Alaska, Inc., a subsidiary of Atlantic Richfield Company.

0249089

Wachaubert  
Corporate ID: 013037

Annual Report  
Year Ending December 31, 1985

Superior personnel, advanced technology, expert training and professional service remain the foundation of Wachaubert's continuing success. As TWC moved into its 32nd year, its dedication to the fundamentals of quality service and professionalism was stronger than ever.

These standards of excellence prevail wherever Wachaubert has security responsibilities -- whether at sensitive government facilities or among its thousands of clients, big and small, in the private sector.

They are very much in evidence among the over-600 person security force provided at the Savannah River Plant by Wachaubert Services, Incorporated, which has been entrusted with its protection by the U.S. Department of Energy.

Situated within a 300-square mile area near Aiken, South Carolina, and Augusta, Georgia, Savannah River Plant is operated for DOE by E.I. duPont de Nemours & Co. -- with a primary mission of production plutonium and tritium for America's nuclear weapons. It is the only facility of its kind in the nation.

The installation presently includes four active nuclear reactors and is taking on additional importance in its national defense role as the site of a new naval fuels production facility and a modern nuclear waste processing facility. The Wachaubert planning staff is taking a major role in planning the security systems for these facilities as well as other security upgrades planned for the Plant.

SWAT-type Special Response Teams form part of the highly-trained WSI security force on duty around the clock there with special equipment that includes helicopters and armored vehicles.

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While moving ahead with diversification during the year, Wachsmut further bolstered its leadership role within the security industry itself by winning prestigious new assignments from both the public and private sectors.

Among many outstanding contracts concluded in 1985 were the following, with:

New York City's Human Resources Administration for security at the city's emergency shelters.

ARCO Alaska, Inc., for security services at its North Slope oil field facilities in Alaska.

U.S. Office of Personnel Management (OPM), for background investigations of both new and present government employees.

Holston Defense Corporation, for security and fire protection services at the Holston Army Ammunition Plant near Kingsport, Tennessee.

Pan American World Airways, for security services at its Worldport Terminal at John F. Kennedy International Airport and its headquarters and computer center in the New York City-New Jersey area.

Greater incentives, in the form of special recognition and monetary rewards for the most successful managers in TWC's nationwide network of offices, became a key part of a new Corporate sales philosophy instituted during the year. As the core of this program was selection of a "Manager of The Quarter" every 90 days, as well as a "Manager of the Year."

Implementing that new motivation was the Company's well-demonstrated ability to anticipate -- and take advantage of -- new trends at all levels not in all areas of society in the uses of private security.

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#### INTERNATIONAL

Wachsmut has become a multinational company with approximately 20,000 employees in this country and overseas. Since the company became international with the opening of an office in Caracas, Venezuela, in 1968, TWC has expanded its services to countries in four continents.

TWC operations now spread across the United States, extend into Canada, across the Atlantic to the United Kingdom and Western Europe, to the Middle East, Far East, the Caribbean, Mexico, Central America and South America. Wachsmut International, Incorporated, continues the activities of TWC's overseas affiliates, subsidiaries and operations. It is itself a wholly-owned subsidiary of TWC.

Illustrative of their wide scope of activity are two security-oriented contracts.

In a joint venture with an Argentine partner, Autotrol, S.A. WII broke into the Latin American nuclear power-generating market with a \$7 million contract to design, engineer and implement a total security system for a new plant built by Argentina's Atomic Energy Commission near the city of Cordoba.

The other is a \$14 million contract to provide training and supervisory guidance to fire and crash rescue personnel at 15 civilian airports in Saudi Arabia. WII also concluded two other contracts with the Saudi government in 1980, one to provide a fire-fighting force for the new Jeddah International Airport and the other to provide fire service communication systems at 13 Saudi airports.

Working closely with WII in such major international projects is the Wachsmut Systems Corporation and its Systems Design Division, which has been responsible for the planning, design and engineering of an integrated total security system for the entire Jeddah Airport complex, the world's largest airport.

The Systems Design Division is also busy in security planning for police departments, oil refineries, processing plants, industrial buildings and numerous other projects.

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#### DESCRIPTION

The Corporation's principal business is furnishing security services to business, industry and professional clients, including protective, fire and safety services to various governmental agencies and general investigative services.

Security services include studying problems of clients through professional surveys, designing effective systems of security to minimize the risk of loss and implementing these systems utilizing Wachsmut procedures combined with guards, electronic devices and alarm systems. Other security services include emergency support programs for labor-management disputes. A specialized service is provided for airlines through Wachsmut's Pre-Departure Screening of passengers.

Electronic equipment is sold as part of an overall security system, as well as to other security firms and through distributors.

As the third largest international investigative and security organization in the nation, Wachsmut competes with other local, regional and national security companies.

The Corporation had more than 10,000 domestic clients during 1980. These ranged from clients for whom a single guard or investigation was provided, to customers utilizing several hundred of the Corporation's guards along with investigative and other services. The largest client during 1980 was NASA, John F. Kennedy Space Center, which accounted for 6.5% of the Corporation's domestic revenues during the year.

In 1980, the Corporation had approximately 17,000 employees (including foreign operations).

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#### ELECTRONIC SECURITY SYSTEMS

As part of a program to streamline its electronic operations and output to meet future demands and to provide clients with a broader range of products and services, TWC's east and west coast manufacturing operations were consolidated during 1980 and placed within Seidler Systems, Inc., of San Jose, California, another wholly-owned subsidiary.

These systems are utilized in high-security areas such as prisons and nuclear power-generating plants, both in the United States and overseas.

Outdoor perimeter security was revolutionized by Seidler with its development of a new type of technology called "E-Field," a high-performance fence sensor designed to provide the alarms in all-weather intrusion security. It can even signal whether an intruder is trying to go over or under a fence. Seidler also has produced a new fence-mounted cable sensor system called "E-Fence," which features low-cost, rapid installation.

Among Seidler's other sophisticated products is a proprietary alarm system called the "Mesa 1000". It is capable of monitoring up to 1,000 alarm points against intrusion, ideally suited for use in small-to-medium size industrial complexes, university campuses and apartment and office buildings.

Another electronic tool in the field of access control that is manufactured by Seidler is a device called "Manitrol". It recognizes individuals not by a key or a card, but by the geometry of our hands. Placing a hand on the identical scanner will instantly admit an authorized worker to a sensitive area--or refuse entry to anybody not authorized. Thus, the ability to gain entrance depends upon a non-transferable biometric characteristic.

TWC acquired during 1980 an interest in an electronics manufacturing firm, Securic of Scottsdale, Arizona, which produces and markets a multi-point alarm system with the unique capability of pinpointing any intrusion.

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#### OTHER SERVICES

Wachsmut was a pioneer and remains a leader in another critical field of security familiar to all travelers: Pre-Departure Screening of airline passengers.

Since 1972, when TWC launched its PDS service (in anticipation of the federal government's mandatory requirement for it the following year), the distinctively uniformed men and women PDS inspectors have had a major part in virtually eliminating airplane hijackings in the United States.

The Wachsmut Institute was created in 1979 to coordinate TWC's own increasingly sophisticated training standards and also to serve clients in private industry.

TWI, comprising a separate division at Coral Gables headquarters, is staffed by recognized experts in every area of security.

From security bases and Pre-Departure Screening methods developed with the FAA, their programs include specialized firearms techniques and the advanced courses required for nuclear plant personnel.

Increasing numbers of private corporations are turning to TWI to update the standards of their own proprietary guard forces. One segment of TWI's basic curriculum is especially tailored for security guards employed by county and state governments.

Loss Prevention, the science of preventing or stopping financial losses caused by theft, is one of TWC's specialty services. Ironically, businesses sometimes are unaware they are being robbed until the losses are reflected in their own financial records. Even then they may be unable to pinpoint the precise areas affected by theft.

With white-collar crime against business now estimated at more than \$50 billion a year, Wachsmut's Loss Prevention experts are playing a key role in securing profits that would otherwise be lost. TWC personnel are trained in methods of locating possible sources of crime, analyzing them and finding the best way of monitoring them.

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#### INVESTIGATIONS DIVISION

TWC also deals with crime through its prestigious Investigations Division whose personnel are highly experienced in undercover work, surveillance, general, background investigations.

Working closely with the Investigations Division is Clarence M. Kelley and Associates, which was formed as a separate entity of The Wachsmut Corporation to provide very specialized investigations into white-collar crime and arson. The division is headed by the former Director of the Federal Bureau of Investigation and its executives are also former FBI agents. Clarence M. Kelley and Associates is based in Kansas City, Missouri.

Because terrorism is a growing threat of the times, another major arm of The Wachsmut Corporation is its Executive Protection Division. It offers defense against terrorists, kidnappers and criminal assaults for executives, their families and others in high-profile positions.

Services include surveys to identify vulnerabilities, implementation of protective programs and periodic audit of established programs, development of crisis management plans for corporations and training in bodyguard and personal defense skills.

The Company has a wholly-owned casualty insurance subsidiary in Bermuda. The major portion of the subsidiary's business is reinsurance of a portion of the Company's workman's compensation and general liability insurance.

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# Is It Coincidence or Conspiracy?

## 100 Compelling Questions about John F. Kennedy's Assassination

- 01) Why were over 58 eye-witnesses to the assassination ignored by the Warren Commission when they said they felt shots had NOT come from the Book Depository?
- 02) Why did most persons in Dealey Plaza run up the Grassy Knoll after the shots while the authorities ran to the Book Depository?
- 03) Why were MULTIPLE rifles found at the Book Depository and then all but one made to 'disappear'?
- 04) Why were ongoing de-escalation plans for Vietnam reversed within 48 hrs of the assassination?
- 05) Why were the ten persons taken into custody in Dealey Plaza all released, some without so much as their names taken? What is the evidence (officially ignored) that some of them were directly involved?
- 06) How was 'Watergate' and the ensuing Watergate scandal DIRECTLY connected to the JFK assassination?
- 07) What MULTIPLE lines of evidence connect the JFK, RFK and MLK assassinations?
- 08) What are the known (often frightening and bizarre) details of the over 200 persons who were murdered or died VERY suspiciously (and conveniently) after 11/22/63 because they had seen the 'wrong' things, tried to speak up, etc.? Why did they die in "clusters" when investigations were ongoing - sometimes just hours before they were to be questioned?
- 09) Why was Nixon one of the few Americans who could not correctly remember where he was when the assassination occurred? Why may he have 'forgotten' he was on a plane out of Dallas?
- 10) Why could J.E. Hoover also not 'remember' he was in Dallas for a meeting just days before the assassination? Why did he show NO surprise at the announcement of JFK's death?
- 11) What is the evidence that FBI informants (perhaps even Lee Harvey Oswald himself) had warned the FBI of an impending assassination attempt on JFK which the FBI ignored and later denied even getting?
- 12) What multiple lines of evidence show Ruby and Oswald's FBI and CIA connections?
- 13) What documents are still being withheld from public scrutiny in the National Archives and WHY? Why 'hide' any when the government 'believes' the act was committed by a 'lone nut'?
- 14) Why did so MANY government documents involving Lee Harvey Oswald and others 'disappear' or were said to have been 'destroyed' - including Lee Harvey Oswald's Army Intelligence files, Lee Harvey Oswald's letter to his FBI contact Hosty and MUCH MORE?
- 15) Why when Lee Harvey Oswald returned to the USA from the USSR was he NOT officially met by any representatives of the CIA, FBI, State Dept. etc., but WAS met by Spas T Raiken, a former Nazi collaborator with intelligence community connections who the Warren Commission claimed was with 'Traveller's Aid'.
- 16) Why was Marina Oswald sequestered in a hotel, surrounded with intelligence community connected persons, coached as to what to say and what she had experienced, and threatened with deportation if she did not cooperate?
- 17) What evidence connects EVERY president since the assassination (with the lone exception of Carter) directly with the assassination or its cover-up? What are George H.W. Bush's connections to the events of 11/22/63? Why was his name and address in Lee Harvey Oswald's Dallas friend's address book?
- 18) Why did Jack Ruby repeatedly implore of the Warren Commissioners to take him out of Dallas and to Washington where he felt he could speak the truth? Why did they NOT take him up on his offer and pleas?
- 19) What did Jack Ruby mean when he said that he was "no more involved in a conspiracy than you gentlemen" when he spoke to the Warren Commission?
- 20) Why did Ruby suddenly contract cancer and die just before his new trial was to begin?
- 21) Why did Dorothy Kilgallen, the only reporter to interview Ruby in prison, die mysteriously days after she said she would "break the case wide open" and her best friend die some days thereafter?
- 22) How do the events of 11/22/63 and its immediate aftermath STILL effect our everyday political and even personal lives?
- 23) What Government agencies and other groups were involved in the planning and execution of the President and then cover it up?
- 24) Why was the single-bullet or "Magic Bullet" theory of the Warren Commission a physical and medical IMPOSSIBILITY?
- 25) Why do those who played prominently in the assassination and its 'investigation' continually show up in contemporary political life? Are they being 'rewarded' for a 'job well done'?
- 26) Why did the U.S. Government deliberately LIE to the American People and World about what they knew of the events of the assassination? Why do the CONTINUE to do so?
- 27) Who felt threatened by JFK? And who gained by his murder? Who had the means to kill him and cover it up to look like the work of a lone-nut?
- 28) How was the Media sometimes cleverly controlled and, at times, complicit in the coverage of events, facts and fiction?
- 29) Which Mafia bosses and employees, many of whom worked for and with the CIA, were involved in the assassination?
- 30) What did LBJ mean when he said the U.S. Government had been running a 'Murder Incorporated' down in the Caribbean in the '60's?
- 31) Why did LBJ insist on being sworn in on Air Force One when he was quite legally President AUTOMATICALLY upon the death of JFK?
- 32) Why were some of the very same persons who were in Dallas on 11/22/63 also just by 'coincidence' near the RFK murder and Memphis for the MLK assassination?
- 33) Why did so MANY fear for their lives in the wake of an assassination by a (then dead) lone-nut? Why did so many die suddenly, mysteriously and 'conveniently'?
- 34) Why did the FBI not react to an informant's report that Joseph Milteer knew in detail how JFK was going to be assassinated weeks before the event? Why did the public never hear that Milteer traveled hundred of miles to witness the execution with his own eyes? Why was he never questioned by the Warren Commission, House Select Committee or anyone else?
- 35) Why were the few who attempted to tell the truth of the events harassed, punished, fired from their jobs, discredited, intimidated, marginalized, threatened and often killed?
- 36) Why did all those who met in Ruby's apartment the evening Ruby killed Oswald die mysteriously thereafter?
- 37) Why did so many bullets and so much of the physical evidence 'disappear'?
- 38) Who were the multitude of PHONY 'CIA' and 'Secret Service' persons (complete with official looking ID) on the Grassy Knoll and around Dealey Plaza on 11/22/63? Why were they stopping persons from moving into certain locations?
- 39) Why did the driver of the Presidential limousine slow the car during the fusillade rather than accelerate?
- 40) Why did Secret Service men jump over the body of LBJ and not JFK?
- 41) Why were several of the Secret Service agents out drinking very late the night before at a club owned by a friend of Ruby's?
- 42) What did Jack Ruby know when he said "I'm Jack Ruby. You don't know me, but you soon will" just BEFORE the assassination?
- 43) What evidence is there that Ruby, Oswald and Tippit (as well as others possibly involved) all knew and had been seen meeting each other?
- 44) Why was so much evidence and testimony suppressed and at times altered?
- 45) Why to THIS DAY do many live in fear to speak the truth of what they saw or know of the events of Dallas 11/22/63?
- 46) Why are powerful forces trying to discredit the new JFK movie? Why have 'critics' of the official version of events long been subject to harassment, surveillance and more?
- 47) Why were so MANY of the movies and photos taken in Dealey Plaza that day CONFISCATED by persons representing themselves as government officials and NEVER returned nor shown to the public?
- 48) Why do governmental and extra-governmental forces STILL spin dis-information stories related to 11/22/63 and its aftermath?
- 49) Why were several witnesses offered bribes and/or threatened by the FBI and others to NOT disclose the truth of what they saw?
- 50) Why were witnesses coached and badgered to get the testimony the Warren Commission 'wanted' to hear? Why were those who saw a different scenario ignored or worse?

- 51) Why did Warren suggest the Report NOT be published to save printing costs?
  - 52) Why and how did police have a full description of Oswald before those on the investigation scene could have assembled any information to lead to such a conclusion?
  - 53) Why did some newspapers get information only the FBI and CIA had on Oswald to print in their stories within hours of the event? Who leaked this information or had it on hand prior?
  - 54) Why do so few know of the photos that show clear evidence of a conspiracy and even show images of the other conspirators and gunmen?
  - 55) What is known of the multiplicity of mysterious activities of many in Dallas and Dealey Plaza that day?
  - 56) Why did the FBI and CIA at the HIGHEST levels suppress information and work to foil a real investigation into aspects of the assassination?
  - 57) What were the many Nazi and Fascist connections to the assassination?
  - 58) What evidence is there of MULTIPLE gunmen in the School Book Depository and other buildings, as well as the Grassy Knoll?
  - 59) Why was 'Lee Harvey Oswald' repeatedly seen at several places SIMULTANEOUSLY in the weeks before the assassination and who were those impersonating him and why?
  - 60) What evidence shows that the person murdered by Ruby is NOT the person exhumed from that grave?
  - 61) Why were so many of the medical evidences tampered with or made to 'disappear'? Why were so many others seemingly altered?
  - 62) Why did someone construct forged composite photos to frame Lee Harvey Oswald prior to the assassination?
  - 63) Why did the JFK autopsy doctor who burned his notes and first draft of the autopsy report get a promotion shortly after this obstruction of justice and/or alteration of fact?
  - 64) Why do the locations of wounds as seen by a team of doctors in Dallas and that evening by another team of doctors in Bethesda Naval Hospital NOT match in number or location?
  - 65) Why did the CIA and other government entities try to discredit and obstruct Garrison's investigation and frame him on false charges? Why were they so afraid of his investigation?
  - 66) Who was the Army Intelligence man in and around the Texas School Book Depository?
  - 67) Why were Jack Ruby and several of the Dallas Police and others seen repeatedly at multiple assassination-related locations in Dallas that day? How did they seem to 'know' where the 'action' was - or was to be?
  - 68) Why do different documents and identifications of Lee Harvey Oswald show different height and even different faces - not to mention names? What was Lee Harvey Oswald's REAL 'mission' in the USSR and in New Orleans and Dallas after his return? Who did he work for? CIA? FBI? ONI?
  - 69) Who were the several different men seen fleeing from the Plaza seconds after the shots rang out?
  - 70) Why did the eye-witness reports of persons seeing men with rifles in Dealey Plaza before and during the shooting receive so little 'official' attention and even suppression?
  - 71) Why was JFK's body ILLEGALLY removed from Dallas and Texas jurisdiction? Why did the FBI remove all of the other physical evidence to Washington? Why was a Grand Jury never convened?
  - 72) Why did the Warren Commission and FBI seem to repeatedly and consistently mis-spell the names of those who's involvement might shed light on a possible conspiracy? Was this 'conspiratorial dyslexia' on the government's part?
  - 73) Were one or more bullets and bullet fragments removed secretly from JFK's brain as much evidence indicates?
  - 74) Why was his brain never sectioned and studied? Why and to where did it disappear along with other essential medical evidence?
  - 75) Why do the descriptions of the size, color and other details of the coffin JFK's body was placed into in Dallas NOT match those his body was in when it arrived for autopsy in Washington? Was there a 'switch' and tampering with the body during the flight?
  - 76) Why were the autopsy doctors ORDERED to NOT follow certain STANDARD medical procedures and investigate certain wounds etc.?
  - 77) What was the Government's role in obstruction of justice after the fact...if not before?
  - 78) Why were the seven particular persons on the Warren Commission selected? Why did several have intelligence community connections? Why were some enemies of JFK?
  - 79) Has our Government been 'illegitimate' since 11/22/63? Are we still living with the legacy of a coup d'etat in America? Are the 'coup' leaders still firmly in control?
  - 80) Is: 'ignorance bliss'? Does: 'knowledge imply responsibility'? Does: 'silence equal complicity'?
  - 81) What can be done to understand and finally undo this entire (long overdue) situation? Is Knowledge and Truth the first step to talking back our country? What ARE the facts? Why are they obscured from the average American?
  - 82) Is the assassination of JFK the PIVOTAL event of American History since the Second World War? Is an understanding of the events a NECESSARY precursor to understanding EVERY MAJOR political event that has happened since - right up to TODAY!
  - 83) Why did Jack Ruby suddenly have a dramatic improvement in his financial situation just prior to the assassination?
  - 84) Why did several persons not 'officially' thought to have been involved suddenly flee Dallas immediately after the event?
  - 85) Why did the Washington D.C. phone system fail for several minutes immediately during and after the assassination?
  - 86) Why were most of the Cabinet conveniently and coincidentally out of the country at the time?
  - 87) Why was the Navy man with the launch codes for the atomic weapons separated from JFK and LBJ? What foreknowledge did the Military have? What possible participation?
  - 88) Can the deaths and destruction at home and abroad in Vietnam and ALL the subsequent wars be understood by an analysis of the JFK assassination?
  - 89) Was Lee Harvey Oswald a CIA agent, as much evidence seems to indicate?
  - 90) Need the American People question if our government and institutions of government have had ANY legitimacy since 11/22/63?
  - 91) What Right-Wing groups and Businessmen were involved in the plot? Why?
  - 92) Why were NO notes kept by ANYONE who interrogated Lee Harvey Oswald over a 48 hr period?
  - 93) Why did Lee Harvey Oswald say "I am just a patri"? Was he 100% correct?
  - 94) Why does much evidence show that Lee Harvey Oswald did not even hold a rifle that day - and perhaps NOT even OWN one?
  - 95) Why did then Governor Reagan refuse to extradite several persons suspected of direct involvement in the assassination for trial and then get suggested as a Presidential candidate?
  - 96) Why did Lee Harvey Oswald have to be executed within 48hrs of his alleged crime? Was he 'supposed' to have been killed prior?
  - 97) How did Ruby gain entry into the Police station? Were the police waiting for Ruby to enter before moving Oswald?
  - 98) Why did forces high in the FBI order the DESTRUCTION of a note Oswald had given to FBI agent Hosty in Dallas days before the assassination?
  - 99) Why do CIA and other documents show a coordinated effort to 'destroy' the critics of the Warren Commission and the Government's BIG LIE of the events of 11/22/63?
  - 100) Did America DIE along with JFK that day in Dallas 11/22/63? Can we revive it and take back OUR country from the assassins and their heirs? Are we as a People more satisfied with the 'COMFORTABLE LIE' or the 'UNCOMFORTABLE TRUTH'??
- \*If you would like to read more on the JFK assassination AND DECIDE FOR YOURSELF the answers to the above questions, the following footnoted sources are readily available:
- 1) High Treason, Groden, Robert J. and Livingstone, Harrison R.; Berkeley Books, 1990
  - 2) On The Trail Of The Assassins, Garrison, Jim; Sheridan Quare Press, 1988
  - 3) Crossfire, Marrs, Jim; Carroll and Graf, 1989
  - 4) Conspiracy, Summers, Anthony; Paragon, 1989
  - 5) Best Evidence, Lifton, David; Carroll and Graf, 1988
  - 6) Plausible Denial, Lane, Mark; Thunder's Mouth Press, N.Y. 1991 (HC)
  - 7) Act Of Treason, North, Mark; Carroll and Graf, 1991 (HC)
  - 8) Spy Saga, Melanson, Philip; Praeger, 1990 (HC)
  - 9) Mafia Kingfish, Davis, John H.; McGraw Hill, 1989, (HC)

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# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 8, Issue 1, February 28, 1986

## <<REASONABLE DOUBT>>

Henry Hurt's book should be in your local bookstore now, although it did not reach some of the big chains quickly. The official publication date was January 27. (Holt Rinehart Winston, 555 pp., \$19.95)

I am too close to the case (and to the book) to judge "Reasonable Doubt" as a whole, rather than by assessing each piece of evidence as new or old, and each argument as familiar or unfamiliar, persuasive or implausible.

We will see what the reviewers and publicists do with a book which claims that it is not pushing a specific solution to the mystery of the JFK assassination. So far, I have seen no ads and only the reviews listed below.

Hurt's reluctance to endorse a single solution is particularly understandable in light of the history of his involvement in the case. Exposure to the legendary Ed Epstein and then to a volunteered "confession" could make anyone wary of anybody's solution. The beneficial result of that introduction is that Hurt was very willing to look at the work of critics who could provide hard facts and careful analysis. Even the jacket copy says nice things about the buffs, and nothing about who killed JFK.

Understandably, Hurt is not optimistic about the chances for a resolution: "The seeds of neglected evidence sown across the landscape in the wake of the assassination have matured into a jungle of powerful contradictions. Nourished by solid information, each promising theme contends with other themes. The entanglement has become so impenetrable that no single theory, no final answer, can break free to stand unchallenged as a solution...." (P. 429) Hurt endorses Jim Lesar's suggestion of a special unit in the Justice Department, with specific Congressional funding, patterned after the anti-Nazi Office of Special Investigations.

Since I don't think I know who killed Kennedy, Hurt's approach generally appeals to me. I think the book does a good job of reflecting the ambiguity of much of the evidence, and the variety of plausible explanations.

## <<A NEW PERSPECTIVE ON THE MURDER OF J. D. TIPPI>>

Hurt's most striking new evidence, surprisingly, does go directly to the question of "who did it" - but in the Tippit case. He does not overemphasize it, but it is a lead which raises the same kind of basic challenge to the integrity of the Dallas evidence as David Lifton's work does to the Bethesda evidence.

Hurt persuaded me that Tippit was in Oak Cliff an hour after JFK was shot to take care of some very personal business. Hurt talked to a woman who had an affair with Tippit. She thought she was pregnant by Tippit; the timing suggests that she may have just learned this on November 22. This was a problem not only for Tippit, who was married, but also for the woman. She had recently been reconciled with her ex-husband, who was previously jealous enough to follow her and Tippit around Oak Cliff at night.

Hurt's exposition reflects the kind of caution that lawyers would be expected to encourage. For example, he does not name the woman, whom I will refer to as Rosetta Stone. Her name is available to anyone with access to the HSCA volumes who can ignore a typo in Hurt's footnote and find the Tippit material in Vol. 12. (Or see "Coverups," 12/85) Her name has been known to some critics for years. Hurt credits Larry Harris with finding her, prompted by an anonymous 1968 letter to Jim Garrison which Gary Shaw obtained. (Rosetta was not named in that letter, but described as a waitress who worked with Tippit at Austin's Barbecue.)

It is not clear if Hurt believes that he and Harris have discovered why Tippit was killed, or merely why he was in Oak Cliff. He seems persuaded by other evidence that Oswald did not do it.

The jealous husband and Rosetta "both deny any knowledge of Tippit's death other than what it is in the official account." (P. 168) Hurt does not go into detail, but I doubt that he accepted Mr. Stone's denial at face value.

Hurt does quote a retired DPD officer who "asserted flatly and without prompting that he believed Tippit was killed as a result of a volatile personal situation involving his lover and her estranged husband. He added, 'It would look like hell for Tippit to have been murdered and have it look like he was screwing around with this woman.... Somebody had to change the tape.... Somebody had to go to the property room and change those [cartridge] hulls and put some of Oswald's hulls in there....' Other DPD officers reportedly share these beliefs.

The book contains a brief discussion of the implications of this account. "The purpose [of the alteration of evidence], perhaps, would be twofold: to seal the case against Oswald [in the JFK case] by showing irrevocably his capacity for violence and to wrap up the case of Tippit's murder without disgracing him, his family, and the unborn child. And, of course, there would be an outpouring of grief [and financial support - PLH] for a police comrade slain by the presidential assassin." (P. 168) I would emphasize that if such relatively innocent tampering can be confirmed, the question of tampering with the evidence against Oswald in the JFK case has to be raised with new intensity.

This area seems ripe for additional investigation, official or unofficial. For example, what can we now make of the sighting (near the Tippit murder scene) of a license plate number traced back to a friend of Tippit, Carl Mathew? (12 HSCA 37) The HSCA apparently failed to reach a conclusion, but if you ignore the claim that Oswald was in the car, the story - and Mathew's nervousness when interviewed by Wes Wise - might be significant.

Hurt reviews the familiar evidence on Tippit's problematic presence in Oak Cliff, and the radio instructions which sent him there. He interviewed R. C. Nelson, supposedly instructed to go to Oak Cliff at the same time, who seemed puzzled by Hurt's questioning and reluctant to talk. Dispatcher Murray Jackson "stoutly denied knowledge of any fraudulent manipulation of the tapes in order to provide an excuse for Tippit's being so far away from his assigned district at the time of his death," but his account seems unsatisfactory to me. (Pp. 162-3)

Before I knew about Rosetta Stone, I argued that the messages in question didn't sound right. In November 1981, I raised this issue in a letter to Dr. James Barger. (#1986.1, 2 pp.) If tampering with any of the recordings could be shown, the timing problem in the acoustical analysis resulting from the "hold everything secure" crosstalk match might have to be reconsidered.

I suggested that both the tone and wording of two key messages were in the "formal mode" which one would expect only in important messages - or in a later re-creation. "You are in the Oak Cliff area, are you not?" seemed significantly more formal than "What's your location?". "Are you en route to Parkland, 6017", and similar inquiries recorded that day; it resembles "You do not have the suspect. Is that correct?", where the "formal mode" is expected. Similarly, "You will be at large for any emergency that comes in" contrasts with "Remain in downtown area, available for call" and "Stand by there until we notify you."

This kind of analysis has been of evidentiary value in at least one other case, involving a tape (released by Larry Flynt) purportedly of a conversation between John De Lorean and FBI informant James Hoffman. Jack Anderson reported that psychologist Murray Miron was able to establish that the tape had been faked. (24 May 84, SFC, #1986.2) In addition to the anomalously unresponsive content of "Hoffman's" remarks, his "speech cadences... are consistent with those to be expected from one who has rehearsed or is reading from a script." Anderson described Miron as a "longtime FBI consultant." The Justice Department should certainly sponsor that kind of analysis of the Tippit messages.

## <<JFK'S PHYSICIAN BELIEVES IN A CONSPIRACY>>

There is a second very provocative piece of new evidence, resulting from Hurt's 1982 phone call to Adm. George Burkley. He said "that he believed that President Kennedy's assassination was the result of a conspiracy." He subsequently refused "to discuss any aspect of the case." (P. 49)

As JFK's personal physician, and the only doctor present at Parkland and the Bethesda autopsy, Burkley was in an especially crucial position. He did not testify to the Warren Commission (which published his contemporaneous report containing basically no medical details, CE 1126.) He did give five interviews to William Manchester (the last one in July, 1966). Manchester recently told me that Burkley did not then believe there had been a conspiracy. However, Hurt notes that in a 1967 oral history interview, Burkley was asked if he agreed with the Warren Commission on the number of bullets that hit JFK; he replied, "I would not care to be quoted on that." The HSCA interviewed Burkley at least once, generating in addition an outside contact report and an affidavit - all unpublished and unavailable.

Along with the Tippit evidence, the Burkley assertion of conspiracy calls for intense examination by the Justice Department and, I hope, by some reporters. (For my letters to Assistant AG Stephen Trotter, ask for #1986.3 [1 Feb 86, on Burkley] and #4 [2 pp., 4 Feb 86, on Tippit].)

Hurt devotes only a few pages in a "grab bag" chapter to Lifton's thesis, but there is some interesting speculation in an area where Burkley might know crucial facts. (Incidentally, much of the "classical" critique of the single bullet theory and other aspects of the medical and physical evidence in Hurt's earlier chapters seems obsolete. The SBT is implausible but supported by a surprising amount of HSCA evidence; if it is wrong, tampering on a Liftonesque scale must have taken place, and we need to either pursue Lifton's argument or come up with another scenario. Studying the flaws in the official investigations is not likely to produce progress in this area.)

Hurt concludes that "Lifton builds a powerful case" that JFK's body was separated from the ceremonial motorcade, and that his "evidence is equally strong on the point that <<something>> happened to the wounds on the body between Dallas and Bethesda. However, his sinister interpretation of what might have happened does not have the strong supportive evidence found for his basic points." (P. 427)

Hurt suggests that "the Secret Service and other powerful elements in the government might have felt an overwhelming necessity to examine the body for evidence at the soonest possible moment," given fears of a conspiracy. "It does not seem unreasonable that these circumstances could have coalesced into an overriding concern for national security that demanded the President's body be placed on an autopsy table as soon as humanly possible - without awaiting the folderol of transporting the body through the streets with the family and public at hand. Moreover, it does not seem unreasonable that certain security people in the government were appalled that the official autopsy was going to be conducted at the whim of the family and by Navy brass with pitifully little experience in forensic pathology."

When I saw this speculation in Hurt's draft of this section, it struck me as plausible and well worth pursuing. The perspective of people who realized that the body might provide conclusive evidence of a conspiracy should be taken into account (and I don't think it generally has been).

Certainly an "innocent national security autopsy" does not explain away Lifton's evidence indicating changes to the wounds, and Lifton can discourse at great length (and with considerable persuasiveness) against such a hypothesis, which I raised with him in general terms long ago.

At the very least, however, Hurt's analysis might lead us to new information about what key people really think happened to JFK's body before the Bethesda autopsy. I have assumed for years that there must be some explanation going around in official and family circles, and I was surprised that none surfaced after "Best Evidence" was published.

Hurt's manuscript led me to check the record on the authorization of the autopsy. Is it possible, I wonder, that the record significantly minimizes Jacqueline Kennedy's opposition to an autopsy? If the opposition was very strong or more prolonged than is generally assumed, I have no trouble believing that someone decided to go ahead with an "inspection" regardless.

Burkley's own account noted that, while kneeling before Jackie, he "expressed [the] complete desire of all of us and especially of myself to comply with her wishes, stating that it was necessary that the President be taken to a hospital prior to going to the White House. She

questioned why and I stated it must be determined, if possible, the type of bullet used and compare this with future material found." (CE 1126, p.6) This makes more sense if you insert a few words: "her wishes to go directly to the White House, but stating..." In his oral history interview, Buckley said that Jackie's decision to go to Bethesda was arrived at "after some consideration," which might mean it took a while to convince her.

It is not unfair to read Buckley's comments critically, with the suspicion that he was minimizing Jackie's reluctance to authorize an autopsy or even his own knowledge of alternative plans. As late as the 1967 oral history interview, he took the Kennedy family line on JFK's adrenal and back problems, describing JFK as an "essentially normal, healthy male," with above-average "vigor and vitality."

Kenneth O'Donnell testified that "we didn't tell her [Jackie] there was to be an autopsy." (7 WCH 454-5) Evidently the matter was discussed with her in terms of going to a hospital to remove bullets.

Restrictions during the Bethesda autopsy have been dealt with in some detail by both the HSCA and Lifton. The HSCA did not publish anything about earlier restrictions - e.g., Jackie's resistance to the whole idea of even a limited effort to remove the bullets. The HSCA may well have gathered relevant evidence.

One reason Hurt's hypothesis appeals to me is that concern for Jackie's feelings - since her wishes were essentially bypassed - might explain why there was no quasi-official detailed rebuttal to Lifton's book. I would be glad to share more of my thoughts on this hypothesis with reporters or anyone else in a position to work on it.

#### <<MORE HIGHLIGHTS OF "REASONABLE DOUBT">>

The chapters on Oswald in New Orleans and on the questions relating to intelligence agencies are particularly good.

Neither the HSCA nor its case against the Mafia gets a lot of attention. I generally like Hurt's analysis of Garrison, but I am not impressed by his treatment of Blakey and the HSCA.

The detailed citations, including many to unpublished FBI and CIA documents, add to the value of the book as an overview. There are also many references to Hurt's own interviews.

Some interesting hypotheses were already familiar to me (and some got to Hurt through me, but I'm particularly pleased to see them in wider circulation).

For example, Hurt explores the idea that Oswald was (or thought he was) working on behalf of Sen. Thomas Dodd's investigation of mail-order firearm sales. This was suggested by Sylvia Meagher ("Accessories," p. 194) and pursued in detail by Fred Newcomb. It might explain Oswald's peculiar weapons purchases. (P. 300 ff.)

In this context, Hurt also reports some of my old analysis of a Klein's Sporting Goods ad in Oswald's possessions, torn from a magazine which was found in Adrian Alba's garage - after a mysterious stranger, claiming to be a friend of Alba's, showed up on the morning of November 23rd to "borrow" some magazines. (P. 297)

Hurt also reports Larry Haspenen's observations on the official concern about Commie influence in the Clinton civil rights drive, and its possible relevance to Oswald's alleged presence there. (See 3 EOC 7, pp. 3-5.)

The book also includes quite a few interesting points which were completely new to me. For example:

A Naval Intelligence officer at the Moscow Embassy says he thought that Oswald was being handled for the CIA by someone in the Naval Attache's office. (P. 243)

There is some new information from Hurt's old interviews (for "Legend") of some of Oswald's Marine associates. One such person told Hurt that he had been recruited for intelligence work when he left the Marines. (P. 243)

SA Vince Drain believes the palmprint on the rifle was faked. (P. 109)

There is a more-plausible-than-most story of a telephone warning by Ruby to Billy Grammer of the Dallas Police. Hurt notes that if Ruby was really under Mafia pressure to kill Oswald, it would make sense for him to try to abort the transfer with such a phone call. (P. 407)

A technical examination done for Hurt suggested that the curbstone at the location of the Tague shot may well have been patched. (P. 138)

Hurt interviewed alleged Marcello and Ruby associate Harold Tannenbaum, who was not as dead as the HSCA thought. He denied any Mafia connections. (P. 180)

Billy Joe Lord, who shared Oswald's cabin on the boat to Europe, added little of substance about Oswald, but told of a peculiar interest in him by someone in France. Hurt suggests this could have been a KGB check to see if U.S. intelligence was talking to people who had been associated with Oswald. (P. 207)

Louise Latham of the Texas employment office made some odd comments, suggesting that she sent Oswald out for a job more than once. Hurt seems suspicious of her husband's "post office" career. (P. 221)

John Hurt's widow told Henry Hurt that he had admitted being drunk and trying to call Oswald in jail. (This should take care of that story.) (Pp. 244-5; cf. 2 EOC 7, p.5)

Hurt speculates that the KGB's interest in the Oswalds may have been to establish Marina as a sleeper agent. (Might that explain the allegedly anomalous friendship between the Oswalds and the DeMokhenschilts?) (P. 240)

#### <<AND NOW FOR SOMETHING COMPLETELY DIFFERENT>>

It's... Chapter 12, "The Confession of Robert Easterling."

At least, I think it's completely different.

I find Easterling's story too incredible to be worth summarizing here. Whenever I hear about meetings involving the speaker, Oswald, Ruby, Ferrie, and Shaw, I reach for my skepticism. In fact, any story involving Clay Shaw starts with two strikes against it. Hurt makes a point of the alleged uniqueness of Easterling's claim of direct involvement (pp. 348-9), but what strikes me is the similarity of so many elements in his story to others we have heard over the years.

I do not believe Easterling's story has anything like the same level of plausibility as even the most speculative allegations elsewhere in the book. My impression is that this chapter fails to reflect the critical judgment which Hurt applied to the more familiar evidence in other chapters.

The chapter both starts and ends with descriptions of Easterling as a psychotic, alcoholic, violent criminal. A long footnote (p. 351) describes aspects of his "confession" as "flagrantly preposterous" and delusional. Certainly Hurt can't be accused of hiding all the flaws in Easterling's story.

Some of Hurt's justification for devoting a chapter to Easterling is mild enough. He grants that "By any standard, [he] is a terribly sullied witness." However, "in the absence of a full revelation of facts by government agencies, it would be irresponsible not to present Easterling's story." (P. 383) As a reader, I would have settled for an appendix or a long footnote.

Fortunately, Easterling's name does not appear outside this one chapter. But this confession is what got Hurt into his own research on the case, as he explains in the introduction. (P. 7) It must have colored his approach to the evidence he later encountered. His personal experience in dealing with the FBI on this matter certainly contributed to his very negative evaluation of the official investigations of the JFK case. That is, Hurt learned that Easterling's was definitely not the best of the conspiracy allegations which were not taken seriously.

The publisher's handout (#5, 5 pp.) does devote a paragraph to "the most shocking revelation of all" in the book, alleging that "Easterling presents... a convincing case that he could have been involved with a group that murdered the president." As is all too common in a publisher's supplementary material, the other specifics mentioned in this handout fail to reflect the general coherence and scope of the book. They include some familiar questions which the book does not claim to answer. (For example, why did Humes burn his notes? The book just reviews the old evidence; Hurt called Dr. Humes about Lifton's book, but he would not discuss details. [Pp. 42, 427]. Similarly, "what government official permitted [Sotere's] deportation?" See p. 419; Hurt doesn't seem to know.) Unfortunately, this handout may discourage reviewers from focusing on the important new information.

It would be disappointing if many readers and reviewers dismiss the whole book because of this one chapter. On the other hand, if any official investigators, or many reviewers or EOC readers, seem to be taking Easterling seriously, I will be glad to jump into any debate on the details.

One structural problem is that the bad Easterling story has the same relationship to the rest of the book as the good story about Mr. & Mrs. Rosetta Stone does to the Tippit chapter: each appears towards the end, each is fairly heavily qualified (and many readers won't be able to tell how much of the caution is <<pro forma>>), and there is not the detailed followup or evaluation of the new material that I would like.

Disclaimers aside, there are signs that Hurt has taken Easterling very seriously at some point. (Some of his language suggests that his conclusions were rewritten and somewhat weakened.) For example, "In the end, [his] claims... could not be substantiated to the point that no doubts about the veracity of his confession remained." (Intro; p. 8-9) The chapter itself has a slightly less disturbing formulation: "In the final analysis it is not possible to prove that the Easterling confession is true." I think it is possible to conclude, from Hurt's presentation, that the confession is false. Hurt's fallback justification is more defensible, although I do not agree with it: "However, it is possible to show that there is, at least, every reason for the FBI to investigate Easterling's leads vigorously." (P. 389)

Another example of hedging which gives Easterling's account more support than it deserves: "A careful reading of Easterling's account cannot lead to any certain conclusion as to who killed John F. Kennedy. It is perhaps significant, however, that when one considers those who may have wanted Kennedy dead - Cuban exiles, Fidel Castro, fanatical right-wing oil men, renegade elements of the intelligence services, the mob - they all play roles in this remarkable story." (P. 390) I would turn this observation around: almost all the plotters in the most popular conspiracy theories play roles in Easterling's account.

Unfortunately, the section of this chapter entitled "A Final Assessment" includes a recounting of some of the familiar old evidence which allows Hurt not to dismiss Easterling entirely, but which in fact supports any number of conspiracy theories. The existence of such evidence is indeed crucial to a final assessment, but only in combination with a very skeptical approach to Easterling.

My guess is that Easterling's alcohol-soaked brain became incapable of distinguishing between what he remembered happening to him, and what he had heard about the JFK case. I wonder if a psychiatrist familiar with the criminally insane would tell us that this particular kind of delusion is common.

In any case, the omission of a professional psychiatric opinion of Easterling's story, by someone familiar with the kind of details on the JFK case which have been publicized, is a conspicuous deficiency in this chapter.

As noted in my comments on Blakey's book, there may well be no significance to a claim by Johnny Roselli that he "knew" there was a shot from the grassy knoll. (3 EOC 3, p. 3) I have no trouble believing that Roselli or some member of his family (or family) heard Mark Lane's lecture (if not Garrison's scenario) and was convinced. (Everyone has heard Lane, it seems.) Admittedly, it is a little harder to picture Easterling in a public library, reading "Accessories After the Fact." Still, anyone living in Baton Rouge at the time of the Garrison investigation would be exposed to a regular flow of details about the mysteries of the case. (P. 379)

I think the most likely explanation for Easterling is not simply a hoax but a basically genuine delusion, supplemented by the prospect of financial or other benefits.

Hurt says that, if Easterling's confession is a hoax, "then there is a fascinating story to be told about such an extraordinary scheme." (P. 351) True enough, and even if it is a delusion which Easterling himself never understood, there should be an interesting story about how and why Hurt (and the Reader's Digest) took it seriously enough to pursue.

Hurt does not discuss the Digest's original interest in the project, or its decision not to publish the book. (See 6 EOC 2, p. 6.) Hurt told me that the new editor-in-chief was not completely persuaded that the thrust of the book was correct. In fact, the book does not identify Hurt or the two men to whom the book is dedicated as Reader's Digest employees. (Why, the reader might wonder, was Hurt doing interviews for Epstein's "Legend"? [P. 7]) Was the Digest ready to publish the Easterling story in one of the three excerpts which were to appear starting in the June 1984 issue, using more of the confession and fewer of the doubts? There may well be a story buried here.

Although it is hard to take the confession seriously enough to really worry about its impact if the Digest had endorsed it, any allegations involving Fidel or Raul Castro have a potential for serious mischief. In 1974, the brother of Easterling's original Cuban contact showed him photos of material "apparently... exhibited in Raul Castro's den." (Pp. 380-1) This included photos of Easterling, Oswald, Ruby, Ferrie, and Shaw/Banister, with X's over the faces of the deceased and a question mark for Easterling. Oh, and also the Czech rifle which had been used, mounted, with a plaque reading "Kennedy 1963." The best I can say about this fantasy is that Easterling might have thought - if he was thinking at all - that the Reader's Digest wanted to hear it.

I have many specific objections to Hurt's analysis. For example, he has the same problem as the HSCA with the claim that Shaw was associating with David Ferrie and Oswald. The stories (of Easterling, and of the Clinton witnesses) are much more plausible if it was Guy Banister,

not Shaw. The HSCA wrote around the witness-credibility problem, concluding that Oswald had been seen with "Ferris, if not Clay Shaw." (HSCAR 145) Similarly, Hurt talks about Easterling being with Ruby and the man he believed was Clay Shaw. (Why not "Shaw and the man he believed was Jack Ruby"? (Pp. 363, 381)

If I had any reason to find Easterling's story credible in the first place, I would do a thorough search of published sources to see where similar elements appear. For example, Hurt notes that Easterling's claim to have driven Oswald from New Orleans to Houston fills in a gap in the official account of his travels. I would start by testing the hypothesis that Easterling read about this problem. I certainly would not treat this as "perhaps the most significant point of confirmation for Easterling's story." (P. 369)

Likewise, what about the coincidence between Easterling's claim that he was to wait for Oswald in Monterrey, Mexico, and the allegation by Donald Norton that he delivered \$50,000 to "Harvey Lee" in that city? (RD, p. 367; Brener, "The Garrison Case," p. 195) Or the similarity between Easterling's firing test (with coconuts!) and a test-firing scene at the beginning of "Executive Action" (the book, if not the movie)?

Not surprisingly, the points which Hurt could even try to verify had little direct connection to the assassination. Discovering (even with difficulty) that there was a fire like one Easterling described does nothing to support his claim that he was picking up Oswald nearby. The story of Igor Vaganov (Esquire, 8/67) is a useful reminder that there were many odd things going on in Dallas in November 1963 which had nothing to do with the JFK assassination.

Easterling may well have been up to something, perhaps criminal, perhaps with some Cubans. Even if it could be established that he knew Ferris or some other person who has been named in the assassination controversy, which in itself would not be unusual, the odds would still be high that his "confession" was nothing but a delusion.

#### <<REVIEWS OF "REASONABLE DOUBT">>

6. 22 Nov 85 (Pub Wkly) Brief and mostly favorable. "The prose is a bit breathless at times," but "the components of [the] mystery are laid out with notable clarity." The theory of a "Cuban conspiracy" involving an Oswald impostor "does not seem so outlandish after [Hurt] produces a likely candidate [Thomas Eli Davis, I suppose] and a witness whose testimony, though 'terribly sullied,' provides an abundance of plausible detail."

7. 23 Feb 86 (NYT Book Review) "Oswald and others?" asks reviewer Adam Clymer, a veteran reporter who is now an assistant to Abe Rosenthal. A fairly short and quite positive review of Hurt's "compelling yet fundamentally calm analysis." Clymer likes Hurt's critical analysis but non-conspiratorial evaluation of the old investigations. "Original research is not what commends this book," and the reviewer mentions none, except for the "psychotic drifter" Easterling. He endorses the book's least credulous comments on that story: "Hurt does not take this source as a touchstone. Instead, he argues that Mr. Easterling's story ought to be given official attention."

#### <<MORE DETAILS ABOUT OSWALD IN MEXICO>>

"The Lobster" has reprinted almost all of the Afterword from the U.S. paperback edition of Tony Summers' "Conspiracy." Summers reported significant progress in his search for Maurice Bishop, and prepared additional information for articles in the London Observer. "Unfortunately," notes Steve Doril, "owing to continuing legal difficulties with David Phillips, they were never officially published. Much of the material appears now in [the] Afterword and the following notes (which are the responsibility of 'The Lobster')." (#1986.8, 4 pp., from issue #10; the Afterword alone was previously listed as #1981.314)

Doril's notes include much information which seems to come from a good HSCA source, if not from the HSCA's Mexico City staff report (which, Summers revealed in 1983, he had "had sight of"; see 6 EOC 1, p. 1). For example: "We understand that the [HSCA] confirmed that [journalist Hal] Hendrix was a CIA contact agent."

"A number of Phillips' colleagues... have indicated that the Phillips/Bishop identity 'holds water.' They include the Naval Attache in Cuba." Incidentally, Gary Mack reports that Phillips has threatened to sue Hurt. (Coversops, 12/85) So perhaps I should emphasize that, whether or not Phillips was Bishop, I am not inclined to believe Antonio Veciana's story that he saw him with Oswald.

Doril gives the real names of "Ron Cross," "B. H.," and "Doug Gupton." "Cross" allegedly helped set up the DRE (but not Bringer's N.O. chapter).

The CIA man in charge of surveillance of the Cuban consulate in Mexico City recently was the director of the Berlitz School in Madrid. (On Oswald's alleged contact with Berlitz, see "Oswald in New Orleans," pp. 344 and 348, and "Conspiracy," p. 318.)

"In a long memorandum or manuscript [Winston] Scott refers to 'a photo of Oswald.' Three CIA officers claim to have seen it [the memo? the photo?] whilst two others claim to have heard of it." Phillip Agee is among the five, all named. (I'll pass up the opportunity to list unfamiliar people here. Any reporter who wants to make a test case out of those CIA names is welcome to do so. I hear that "The Lobster" is developing a reputation in the U.K. for naming sensitive names.)

A named CIA officer "is believed to have told an untruth to the HSCA" about the 1 Oct 63 photo of the mystery man. The 10 Oct 63 teletype to CIA headquarters about this "was, in fact, doctored, according to evidence developed by the HSCA investigators." (This sounds like what Counsel Sprague was going on about in 1977; I have still seen no evidence to support this claim.)

Virginia Prewett, a journalist whom Summers found from a clue provided by Veciana, "was a CIA asset handled by Phillips." The five CIA "disinformation agents" in Mexico City (four run by Phillips) and two other agents of Phillips are named by "The Lobster."

This is clearly very important material, but I'm rating it only two stars as a reminder to be careful: just the fact that the HSCA staff believed it and it got locked up for fifty years doesn't make it all true.

In the case of Phillips-as-Bishop, at least, there is evidence that some CIA people were trying to mislead the HSCA. As with the Nosenko case, the HSCA may have bumped into issues of great sensitivity inside the CIA, where selected facts were passed around for the purpose of making one faction or the other look bad. (For example, one can be skeptical of the account of Angleton making off with a photo of Oswald.)

Although I am inclined to trust the HSCA staffers who specialized in the CIA investigation, I have many problems with what I know about the unpublished and published investigation in other areas, and I know that some HSCA sources doubt some conclusions of the Mexico City staff report.

#### <<JIM GARRISON - ON THE BENCH AND OFF THE WALL>>

In October 1985, Garrison told Ted Gandolfo that he was working on a new book, entitled "A Farewell to Justice." He said that "there is no question in my mind that it is the absolute and ultimate truth down to the last detail about the Kennedy assassination," but that he can not get a publisher "because they are controlled by the CIA." (This is from the first issue of Gandolfo's newsletter, "Assassination U.S.A." Write him at 1214 First Ave., NYC 10021, or ask me for information.)

Garrison sent a long letter to Louis Sproesser, a buff who inquired about this book. (#9, 30 Dec 85, 3 pp.) The book is "completed" and being considered by a publisher. Garrison has been working on it for four years.

Garrison's rhetoric has not softened over the years, and I'll be very surprised if his critical attention to the facts has improved.

Judge Garrison asserts (on Court of Appeal stationery) that "Anyone who wishes to understand the assassination, must appreciate at the outset that the deep involvement of the Agency in the President's assassination requires that it give the maximum reinforcement to the two major false sponsors which it has created: Organized Crime and Fidel Castro.... If the author [of a book] so much as infers that Organized Crime or Castro were behind what so plainly was an <<Agency project>>... then one has in his hand the typical product of one of the Agency's stable of hungry scribes."

Garrison also disputes allegations that Organized Crime is behind him. "While I lay no pretense to being the epitome of virtue, with regard to connections with organized crime I think that you can safely place me as having approximately the same such connections as Mother Theresa and Pope Paul." Obviously the CIA's disinformation machinery is at work, he says. (Is Garrison dropping a hint about various popes? And this "Mother Theresa," usually known as "Teresa" - is she related to Winnie Teresa?)

In particular, Garrison complains that a recent book "by a dashing Englishman (one of the Agency's more accommodating proteegee) refers to 'a secret meeting' between Garrison and John Rosselli. The 'author's' complicity in this attempted discredit is underscored by his having had the book published without ever troubling to learn that I have never even seen John Rosselli in my life..."

The reference is to p. 498 of "Conspiracy," by Tony Summers (who is, indeed, sort of dashing), which accurately asserts that the CIA found such a meeting "particularly disturbing." Summers quotes (but does not cite) an HSCA staff report by Mark Flanagan, which in turn refers to an unpublished page of the CIA Inspector General's Report. The allegation of a Garrison-Rosselli meeting also appears on page 118 of the IG Report, which is published. (See 10 HSCA 190-1 (note 55), 4 HSCA 146-7.)

As usual, there is a trace of validity in Garrison's complaint. The IG Report is obviously not an unimpeachable source, even if endorsed by an HSCA staffer. But Garrison's overall certitude doesn't seem to need much anchoring to reality.

Hurt's book includes a rather good discussion of the Garrison affair, and of the subtleties of the interactions between Garrison, the real New Orleans evidence about Oswald, and the vulnerability of Clay Shaw due to his apparently irrelevant CIA links and homosexuality.

If any of you want to spring to Garrison's defense, here is my \$64 question: at the time he arrested Clay Shaw, what serious evidence did he have that he had in fact conspired with anyone to kill JFK?

<<Subscription information>> There were only 3 issues of EOC last year. The minimum rate for a paid subscription is \$0.05 per page plus postage, or \$1.96 for 1985 in the U.S. and Canada. For postage to Europe, add \$0.48 per issue; to Australia, \$0.60. Payment must be in U.S. currency; please make any checks payable to me, not to EOC.

<<Credits>> Thanks to S. Doril (#8), G. Hollingsworth (6,7), H. Hurt (5), R. Ranfelt (7), and L. Sproesser (9).

#### <<MORE PRESS COVERAGE OF HURT'S BOOK>>

The following items arrived as this issue was being completed. They are from the Chicago Sun-Times, 9 Feb 86. (Thanks to J. Gordon.)

10. "Who killed JFK? Not Oswald, book claims" [2 pp., with a big page-one headline] Apparently based on an interview of Hurt by William Hines. Castro "had ample reason to want Kennedy dead, Hurt said.... Revenge was clearly Castro's motive to mount a counter-assassination campaign, and organized crime in the U.S. was his avenue of attack." A Hurt quote is singled out for emphasis in large type: "My feeling is that some combination of Cuban interests and organized crime in this country pulled off the assassination. How they did it, I don't know."

Is that reasonable? I doubt it. The book doesn't allege that, much less make a case for it. Even if Castro was in control of Cuba, Hurt concluded, "that does not yield a clear answer to the ultimate question of whether Castro, as a desperate act of self-preservation, brought about the assassination. Today, all that can be said is that whatever his connection, if any, Castro was better served than any other leader in the world by [JFK's] death." (P. 345)

Mafia involvement in a Castro plot has been advanced from time to time, notably by Roselli and by George Cole (who focused on the Castro-Trafficante relationship; 5 HSCA 308-11). In their book, Blakey & Billings rejected this theory, "because all the reasons that militated against Castro's striking at Kennedy by himself could be applied to his doing it in conjunction with gangsters." (P. 156) They also made the first of many obvious counter-arguments: that Oswald, "a known leftist, pointed squarely at Castro."

11. "A Startling Confession" [3 pp.] A long article by Jim Quinlan. "According to Hurt, the center of this historical storm was Robert Easterling..." Except for a reference to Easterling's mental state, this article applies no critical judgment to his account.

12. A photo of Hurt, and a sidebar on his secluded office in Redeye, Va.

13. Photos accompanying #11. [3 pp., routine]

# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 8, Issue 2, July 17, 1986

## <<QUOTATION OF THE DAY>>

"An interesting theory can always outrun a set of facts," according to psychologist A. Holliday, at a 1959 conference on LSD therapy chaired by Dr. Paul Hoch, CIA consultant and "opinion leader." - From "Acid Dreams: The CIA, LSD, and the Sixties Rebellion," a new book by Martin A. Lee and Bruce Shlain (Grove, \$12.95). A fascinating social history, particularly the chapters on the CIA's early interest in LSD. ("Funny and irreverent" - WP)

There are a few references to John and Robert Kennedy, but nothing new on the Mary Pinchot Meyer story. If people like Meyer's friend Angleton knew of her dabbling in drugs with Leary and apparently with JFK, did it matter? I wonder, but the book avoids speculation along such lines. There is no mention of "Did Lee Harvey Oswald Drop Acid?", the article co-authored by ex-AIB'er Len. (5 EOC 1, p. 4) (#1986.14: Publisher's press release, consisting of advance comments by Ginsberg, Stockwell, Krausner, et al.)

## <<FORTHCOMING TV COVERAGE>>

In November, Showtime will present four hours of "The Trial of LHO," with Vincent Bugliosi for the prosecution and Jerry Spence for the defense. (Ed Bark, DMN, 21 Jun 86, reprinted in Coverups, 6/86 [#15].) An earlier report by Jerry Rose identifies the producers as London Weekend Television. (See 2 3D 3.21; that is, The Third Decade, Vol. 2, #3 [Mar 1986], p. 21) Although there are risks in having lawyers present the case, this should a good show.

## <<THE 22ND ANNIVERSARY>>

16. 22 Nov 85 (Fredericksburg, VA "Free Lance-Star") "JFK questions persist" A summary of what has and hasn't happened since the HSCA report, by guest columnist (and buff) Harry Nash. "The simple fact is that Justice, like many agencies of government over the years, would like for the question to go away. If you think the reason is just 'bureaucratic', think again. The murders [of JFK and MLK] did not occur in a vacuum. William Faulkner (in another context) said it best: 'The past isn't dead; it isn't even past.'"

This is the only anniversary article I recall which dealt with the ongoing controversy over the assassination. Were there others? (I have the original version of the widely publicized account of how the WC damaged the Hoover-Warren relationship; it should be in the next EOC.)

## <<THE RFK CASE>>

17. 5 Mar 86 (LA Herald-Examiner) "RFK slaying report lacks all the facts" [2 p.] Quotes Paul Schrade and Greg Stone, who said that "what is important is the 97% of material which remains withheld." The commission asked Mayor Bradley to form a committee to develop standards and a schedule for release of the remaining material. This advisory panel has been set up.

People interested in encouraging fuller disclosure should get in touch with Stone or Phil Melanson. There is much concern about the processing of the remaining material. The summary report itself costs \$150 (\$0.10/page) plus postage, and is probably not worth it. For earlier coverage of the release process, see 7 EOC 3, p. 1.

18. 5 Mar (NYT) "Summary of Report Released..." "Critics said the commission's report contained nothing that was not published in [Robert Houghton's] 1970 book...." Stone tells me that it is worse than that; published information has now been deleted.

19. 5 Mar 86 (LAT) "Summary of Police Probe Says Sirhan Acted Alone" [3 pp.] Page one, but hardly news. "Release of the 1,500-page summary [on March 4] did little to mollify critics...." Schrade accused the police commissioners of "arrogance" and challenged Chief Gates to explain the trajectory of the bullet which struck him.

20. 5 Mar (SFX) "RFK murder probe is 'a P.R. gesture,' victim complains" [2 pp.] Also quotes Prof. Melanson.

21. 4 Mar [25 pp.] Partial transcript of the board meeting, including comments by critics.

Other March 5 reports, mostly from wire services: #22, USA Today (incomplete copy); #23, AP; #24, Hartford Courant; #25, SFC (from LAT), [2 pp.]; #26, Detroit News.

27. 6 Mar (LAHE) Editorial, "A call for public disclosure"

28. 9 Mar (Dubin, Phila. Inquirer) "RFK summary sharpens demands for all files" [2 pp.] A rather good summary, including comments from Stone and Schrade (whose doctor called it "crazy to think that Sirhan acted alone").

29. 16 Mar (Providence Journal) "Assassination and gun control: RFK report puts spotlight on protection of president" [3 pp.] Primarily an interview of Melanson.

30. 28 Mar (LAT) "Sirhan Denied Parole; Crime's 'Enormity' Cited" A staff psychiatrist described him as "generally rehabilitated."

## <<REASONABLE DOUBT>>

31. 20 Apr 86 (Boston Herald) "JFK's death: Let's find the truth" An op-ed piece by Henry Hurt, directed at Boston Congressional candidate Joseph P. Kennedy. "The bond of silence that began with Robert Kennedy has remained inviolate. Indeed, the members of this illustrious family are among a tiny minority of Americans who have not vigorously debated this important issue.... In a recent profile of Joe Kennedy in Life Magazine, he is quoted as saying that it is time for his campaign to take the initiative on something.... If Joe Kennedy fully accepts the simplistic official version of JFK's death, then let him say so." (Reprinted in 2 3D 4.4.)

32. (Same paper, same date) "Joe Kennedy urged to reopen JFK probe: Author cites conspiracy theory" (but not Easterling) A page-two news story based on an interview of Hurt. Joe Kennedy was not available for comment; his campaign manager said he may make a statement. (As far as I know, he has made none, and nothing has come of this.)

33. 16 Feb 86 (WP Book World) [2 pp.] Reviewer Anthony Lukas notes that Hurt "is most convincing in his meticulous dissection of [the WC] scenario," but "less persuasive when he seeks to assemble an alternative scenario. Everyone in his story has a purpose.... There is little room for chance.... And the only major piece of new evidence [Easterling's testimony] is singularly unconvincing." Lukas concludes that, until there is access to the secrets Hurt believes to be still locked up, "anything and everything is possible." I don't think he is being sarcastic; perhaps Hougan's revisionist analysis of Watergate, which Lukas took seriously (#1984.180), influenced his perspective on the JFK case.

34. March 86 (3D) A nine-page "review essay" by Jerry Rose, positive in general but with several points of disagreement. (You should have your subscription copy, so I won't describe it further here.)

In response, Hurt has written a letter to Rose, challenging readers to name another "detailed, on-the-record account of personal involvement in a successful conspiracy." Perhaps such a distinction can be drawn, but in my opinion the similarities between Easterling's story and many others far outweigh the differences.

35. Mar 86 (Coverups) "Significant Doubt about 'Reasonable Doubt'" Gary Mack considers the book "one of the most disappointing and misleading 'major' works" on the case. I disagree with some of the specific points Mack disputes - e.g., the John Hurt phone call, and Harrison as the tall tramp - and I have no problem with the book leaving out the backyard photos, the umbrella man, and even the acoustics. In any case, Mack's specifics do not establish his most serious criticism, that the book was "very carefully, cleverly constructed" to build a case that Castro did it, and to give the impression that it completely covers the major open questions. I didn't get that impression from the book; if the Justice Department or many reviewers were to respond that way, I would reconsider.

36. Jun 86 (Coverups) Reporter Johann Rush recounts his own impressions of Easterling, who was trying to sell his story for money when Rush talked to him in 1981-83. The records of the alleged "diversionary fire" show no damage to the building, just a little to some furniture; no hydrant was used, alleges Rush. [2 pp.]

37. 26 Jan 86 (Cincinnati Enq.) A "must read," but the reviewer complains (with some validity) that Hurt ignored Dr. Lattimer's work on the single-bullet theory and the head snap.

38. 9 Feb (St. Petersburg Times) "Another dubious conspiracy" "The conspiracy theorists' main fault is that they, like Hurt, deprive Oswald of personality."

39. 16 Feb (Baton Rouge Sun) A short review, mostly negative ("a rehash"). "The Easterling chapter is riveting, but not worth the \$19.95...."

40. 23 Feb (Richmond T-D) A mixed review by a retired member of the Foreign Service. "The endless reporting on Easterling raises the question of why a well-regarded journalist should have devoted so much time to 'Reasonable Doubt.' The surest answer lies in the incredible divergence of the reports from governmental investigations of the assassination."

41. Mar 86 (Village Voice Literary Supp.) A positive review - even Easterling's story "compels attention" - consisting mostly of the reviewer's favorite old anti-WC arguments. (Carl Oglesby is singled out among those who have previously made "extremely plausible guesses" about the culprits.)

42. 3 Mar 86 (Pub. Wkly) "Challenge, Inc. Continues Two Libel Actions" Also, David Phillips "is considering a suit" against Hurt "for allegations... that he was 'Maurice Bishop,' CIA case officer for Lee Harvey Oswald."

43. 7 Mar 86 (SPC) "From Castro's Plot To the Botched Autopsy" "Like the creature from the swamp in a C-grade movie, it [the case] won't be put to rest." "Tantalizing, but 'conspiracy' is not really explosive news at this date unless you can name the conspirators," and Hurt's book, like the HSCA report, "suffers from that deficiency."

44. 10 Mar 86 (Roanoke Times) "'Reasonable Doubt' a lesson for shuttle investigation" (That is, "be thorough, get it right the first time," unlike the Warren Commission.)

45. 12 Mar 86 My rough handwritten notes on Hurt's appearance on WWCN radio, Albany. Does he think that "Mr. Stone" killed Tippit? Here, he says that he has come up with the person "who probably did." Hurt thinks that JFK would have "gotten Castro out of this hemisphere"; that LBJ thought Castro killed JFK, and got the message, thus deciding to fight Communism in Vietnam instead of Cuba. Given the evidence on JFK's involvement in Vietnam, and the ongoing pressure against Castro under LBJ, this is too speculative for me.

46. 23 Mar 86 (Milwaukee Journal) "More doubt on JFK" Reviewer David Wrono is critical of the Easterling chapter ("No cub reporter would tam in a story like this") and of much more. The anti-WC chapters are "solid" but Hurt "cannot evaluate witness testimony" and "is blinded by an anti-Communism" which "enables him... to portray the murder as the work of Castro Communists [and] the Mafia."

47. Apr 86 (Freedom) [2 pp.] A generally negative review, suggesting that Hurt deliberately played down the possibility of government involvement. (This monthly magazine, linked to the Scientologists, publishes investigative reports on various important topics, but unfortunately a substantial part of what it prints ranges from a bit overdone to quite silly indeed.)

48. 6 Apr 86 (Oakland Tribune) "Volume opens forum to more JFK assassination theories" [2 pp.] A favorable review by Jonathan Marshall, now the Trib's editorial page editor, focusing on Bursley, Tippit, and suppression of evidence by federal agencies. "Worst of all, however, was the decision of the [HSCA] to put a 50-year seal on most of the thousands of pages of

documents it assembled. The irony of the situation... is clear," noted Berkeley-based assassination scholar Paul Hoch. "The congressional investigators who broke the JFK case wide open and reversed the official government verdict have left us with more material withheld than ever before." (4 EOC 5.1)

"The assassination deserves whatever study it still receives. For even if the conspirators are never identified, much less caught, careful analysis of the crime and its aftermath will continue to shed light on the many political pathologies that rippled outward from the center of the assassination itself."

49. 13 Apr 86 (Phila. Inquirer) A review by Jean Davison, author of "Oswald's Game." (5 EOC 4) On the whole, she is not overly negative: "Anyone who has followed the controversy will probably want to read the latest round in the debate. Whether one agrees with them or not, conspiracy books like this one are seldom dull."

"It is not unusual... for conspiracy theorists to make their attacks on the Warren Report sound utterly convincing - until they try to explain what <<really>> happened. Then some sticky questions inevitably arise. For instance, why does all the physical evidence point to Oswald's rifle and to no other weapon?... If a better rifle was used, where did its bullets go?... Hurt provides a novel explanation.... Readers who prefer complex solutions to simple ones will find much to admire in <<Reasonable Doubt>>." (She might be wrong about any given area of evidence, but she does have a point.)

Easterling's confession "has the dreamlike quality of a delusion.... [He] seems to have been working for everyone on the conspiracy theorists' list of Top Ten Suspects.... It seems not to have occurred to Hurt that Easterling could have gotten many of his ideas from reading earlier books about Dallas." (Hurt certainly did think about that explanation, but, indeed, you wouldn't know that from the book itself.) "Sadly, Easterling's confession sounds like an unconscious parody of the theories presented there."

50. 22 Apr 86 [3 pp.] A letter from Hurt to the Inquirer, defending his handling of the neutron activation analysis and noting that Davison's book was not, as the Inquirer said, "a critical examination of conspiracy theories" but, in Davison's publisher's words, "an anti-conspiracy book about Oswald's assassination of President Kennedy." Hurt also says "I accept Miss Davison's attack on the credibility of Robert Easterling."

51. 19 Apr 86 (Montreal Gazette) A positive review by Brian McKenna, who directed two CBC documentaries on the JFK case. He notes Hurt's work on a report of Oswald handing out FPCC literature in Montreal, and regrets that Easterling may have taken Hurt away from "more fertile trails." "In his graceful and diplomatic treatment of the lonely work of the critics, Hurt refrains from the poisonous backbiting that has so divided many of the best ones over the years." (Reprinted in *Coverups*, June 1986)

52. (Same paper, date, and author) "How careers like Dan Rather's were built on [the] JFK assassination" Rather told McKenna in 1978 that he personally believed there was a conspiracy, but despite the HSCA he allegedly continues to reflect the lone-nut view, and was among those who vetoed a potential story by "60 Minutes" based on Lifton's evidence. Quite far out for a sidebar (a far-out-but-?): "What this suggests is that like many high U.S. officials in every branch of government, Rather's career and the official story are welded together." McKenna's brings up Rather's erroneous description of the Zapruder film, and the WC's "printing error" resulting in transposed frames (both of which I accept as non-sinister mistakes).

53. 25 May 85 (Jackson, MS Clarion-Ledger & News) "Book explores confession in Kennedy assassination" [2 pp.] Hurt, who used to work for the Jackson News, met with two FBI agents "who had examined Easterling's file. The whole tone was, one of, 'Listen, you're a fairly sensible fellow, how can you get taken in by this man?' And my position was I'm not being taken in by him. I'm trying to find out the full story. I don't understand why you folks haven't taken a more vigorous interest in the man," Hurt said.... Attempts to contact the FBI about Easterling's story were unsuccessful." (#53a: an accompanying review, not noteworthy.)

There is some interesting information on Hurt (rather than on the case) in the following articles from Virginia papers, which are mostly profiles based in part on interviews:

54. 16 Feb 86 (Danville Register) [3 pp.; photo: #54A]

55. 9 Mar (Richmond T-D) [2 pp.]

56. 10-12 Mar (Lynchburg News) [5 pp.] Also quotes Ed Tatro.

57. 16 Mar (Roanoke Times) [2 pp.]

A few more reviews, short and/or not particularly noteworthy: #58 (19 Jan), Fort Wayne Journal; #59 (23 Jan), Macon, MS Beacon; #60 (16 Feb), Anniston, AL Star; #61, Detroit News; #62 (24 Apr), Daily Express (UK).

#### <<MORE THOUGHTS THE MURDER OF OFFICER TIPPI>>

Several people have challenged me to explain how Tippit's affair might have actually played a role in the events of November 22. Indeed, it would be quite a coincidence if he happened to be the victim of a killer with a personal grudge just when Oswald was in the vicinity. Such things do happen - that's why they are called coincidences - and it is plausible that the DPD would have used the dead Oswald to clear up an unsolved crime. But a more complex scenario may make more sense. Joanne Braun speculates that Tippit's problems may have caused him to go to some unsavory characters for help, for example to get some money which his wife would not know about, and that he may have gotten entangled with, and in debt to, some hypothetical conspirators, who then set him up as they set Oswald up. Also, David Lifton reminded me of the eyewitness evidence suggesting that Tippit had been waiting for someone coming from the same direction as Oswald. (Ramparts, Nov 66) And of course Tippit's affair might explain only why he was in Oak Cliff.

#### <<JUDGE GARRISON RESPONDS (AND HOCH DISSENTS)>>

Ted Gandolfo sent Jim Garrison part of 8 EOC 1, and sent me a copy of Garrison's reply. (Letter of 14 Apr 86 to Gandolfo, #1986.63; quoted almost in full here.)

The Judge had "nothing to say concerning [Hoch's] comments about me. Frankly, I found them to be incoherent."

"I cannot guess as to the origin of his emotional hang up [sic] about me. In any case, I will not attempt to reply to him in a similar vein...." Some of my earlier research on the assassination was "quite competent. Moreover - in view of the solid front presented by the federal government in its cover-up of the assassination - it seems to me childlike for one assassination critic to attempt to discredit another publicly." (I suppose calling Tony Summers "one of the [CIA's] more accommodating prostitutes" doesn't count.)

"One statement of Hoch's, however, does concern me enough to require a comment. He refers to the 'vulnerability of Clay Shaw due to his apparently irrelevant C.I.A. links and homosexuality.' Mr. Hoch should go straight to the bathroom and wash his mouth with soap."

"Throughout our trial, in everything I have ever written and in every public statement I have ever made - I never once have made any reference to Clay Shaw's alleged homosexuality. What sort of human being is Mr. Hoch that he is impelled to so gratuitously make such a reference in a newsletter which he widely distributes to the public? For all his faults or virtues, Shaw is dead and unable to defend himself from that kind of off the wall canard. No matter how virtuously Hoch might couch it, a smear is still a smear."

I will let you decide if my reference (or Hurt's) was gratuitous. Out here, referring to someone's homosexuality stopped being a canard years ago; at least, it's not as serious as charging someone with conspiring to kill JFK.

Does Garrison now think Shaw was involved in the conspiracy which led to JFK's death? If so, the reference to "all his faults or virtues" is remarkably mild.

In 1969, J. Edgar Hoover himself called me "a smear artist" for suggesting that there may have been an undisclosed relationship between Oswald and the FBI. [#64, 2 pp.] So Garrison is in good company.

As for my question in 8 EOC 1 about Garrison's case, asking what evidence he had when he arrested Shaw: The most enthusiastic answer came from Gandolfo, who said, "Didn't you know that Shaw was connected with Permindex, which just happens to be one of the most efficient assassination organizations around?? Didn't you know that Shaw was CIA?" Also, Shaw's friend Ferris was CIA and there is Russo's testimony. That is, of course, exactly the sort of evidence which I did know about but which does not relate to my question.

Gandolfo also promised to expose me as "just a CIA coverup bastard" in his newsletter, to which I do not subscribe. Does anyone out there want to send me a copy?

The best semi-serious answer came from Robert Ranfelt and Jim Lesar, who sent me an FBI letterhead memo dated March 2, 1967, the day after Shaw's arrest. (#65, 2 pp.) The memo, discussed in Hurt's book (p. 281), notes that one of Shaw's alleged homosexual contacts said on March 19, 1964, that Shaw was into S&M. On February 24, 1967, two sources reported that they thought Shaw had "homosexual tendencies," and two sources (possibly the same ones) indicated that Shaw was Clay Bertrand, who allegedly contacted Dean Andrews on Oswald's behalf. Unnamed FBI sources are not necessarily reliable, but in any case none of this evidence even suggests that Shaw conspired with anyone to kill JFK. Sorry, but the prize for my \$64 question remains unawarded.

Incidentally, Lou Sproesser pointed out a problem with the Hurt-HSCA hypothesis that Buzier, not Shaw, was with Oswald and Ferris in Clinton. Marshall J. Manchester testified at the Shaw trial that he checked out the car and that Shaw said he was from the Trade Mart. (NYT, 7 Feb 69, 2 pp., #66) Manchester is not necessarily credible, but this shows that untagging the Clinton story by believing just some of the testimony is not easy.

While I was in the mood to discredit my fellow critics, I came across a letter from Garrison to "Freedom" (May 1986, #67) which is worth some attention. It offers a rare opportunity to scrutinize Garrison's analytical work in an area where the evidence is accessible and not crucial.

I think the buffs should keep in mind that what got many of us into the case in the first place was the demonstrable inadequacy of the Warren Report - for example, conclusions and summaries in the Report which did not even adequately reflect the published evidence, much less what was not published. In my own case, at least, the inference was that any investigation which was so clearly unreliable on details could certainly not be trusted to get the difficult and uncheckable answers right.

These days, assertions by Garrison and his ilk tend to get accepted into the mythology of the case if they sound plausible, without much detailed scrutiny. It is not easy to deal with most such claims. For example, no matter how exaggerated Garrison's (or Sprague's) comments about the HSCA staff and investigation under Blakey seem, and how implausible their conclusions about what was behind the HSCA, most of the rebuttal evidence is known only to HSCA people, and everyone who dealt with the HSCA knows their investigation was inadequate in many ways - at least in many small areas. So, it is hard to argue against the conclusions of Garrison or Sprague (either Sprague, in fact) without seeming to defend certain indefensible aspects of the HSCA's work.

Likewise, when implausible things are said about Oswald in New Orleans (by the HSCA) or about Cuban exiles, one may be reluctant to be properly critical if one believes, as most of us do, that those areas probably are central, and that someone might well have come up with new and important (but unverifiable) evidence.

So I have no qualms about taking a close look at Garrison's charge that the Warren Commission may have relied on a CIA asset to solve one evidentiary problem. Garrison wrote that an earlier "Freedom" article on Hemingway "may have contributed to the identification of a possible CIA 'asset.'" In about 1961, Dr. Howard Rome, a Mayo Clinic psychiatrist, gave Hemingway shock treatments. In September 1964, Rome gave the WC an analysis of Oswald, which would appear to have been obtained and inserted just prior to the printing deadline in order to mask one of the major holes still remaining in the official fiction: Oswald's motivation. The thrust of Dr. Rome's evaluation was that Oswald's spelling problem was not inconsistent with his having murdered the president of the United States. In Wesley Liebel's words, "the frustration which may have resulted [from Oswald's reading-spelling difficulty] gave an added impetus to his need to prove to the world that he was an unrecognized 'great man.'"

Garrison does qualify his factual conclusion (enough to make it non-libelous?): "One cannot ignore the fact that it is just possible that Dr. Rome might have been functioning all along primarily as an agency 'asset.'" Then he takes off again: "Those men who function clandestinely as CIA assets will do anything and help destroy anyone for a share of the CIA's cornucopia. To give but one example, consider how successful the media and 'journalistic author' assets have been in giving life to the two remaining scapegoats in the JFK assassination - Fidel Castro and organized crime."

It is the jump to such a broad allegation which justifies attention to Garrison's comments on the Rome matter. His analysis is, basically, unsupported by the evidence Garrison himself refers to, and to some degree contradicted by it. Some terse one-word assessments spring to mind, but I don't want to be told again to wash my mouth out with soap.

The details are not interesting enough to reproduce here, but I'll send my analysis to anyone who wants it, at no charge. (#68, 3 pp.) If very few people ask for it, I'll probably draw some inferences from that.

One question for the third decade (and for Jerry Rose's journal as well) is how to deal with the survival of myths about the assassination other than the Warren Commission's. That is,

what is the role of "scholarly research" when many of the people still interested in the case are sure that the head snap proves there was a shot from the front, that the single-bullet theory is a joke, that the HSCA's primary goal was to hide the truth, or that Garrison solved the case with the arrest of Clay Shaw?

The April and May 1986 issues of "Freedom" include a long article by Richard E. (critic) Sprague and two "Freedom" staffers, "The Ultimate Coverup," focusing on the CIA, the HSCA, Ruby, and mind control. (There are also parts of a long series by Fletcher Prouty on the CIA, dealing with the assassination in the May issue.) Each issue is \$1.50 from 1301 N. Catalina St., Los Angeles, CA 90027. Certainly many of the details are correct, and maybe some of the big charges are, but I do not think these articles consistently meet essential standards of exposition and logical argument.

#### <<THE SUPPORTERS AND FRIENDS OF PAULINO SIERRA>>

What follows is essentially the complete text of a letter I sent to the Justice Department on May 13, 1986. Once again, an assassination lead brings us back to the hidden history of the Kennedy administration's war against Cuba.

In connection with the Justice Department review of the report of the House Select Committee on Assassinations, I would like to bring to your attention one area in which the report was incomplete. I believe that the published information may be unfair to one of the named individuals, Paulino Sierra Martinez.

Mr. Sierra is mentioned on page 134 of the HSCA report, which states that a certain "arms deal was being financed through one Paulino Sierra Martinez by hoodlum elements in Chicago and elsewhere." A staff report on the organization he headed (JGCE, the Junta del Gobierno de Cuba en el Exilio) is published in Vol. 10, pp. 95-103. This HSCA report appears to be based entirely on a review of existing documents (mostly from FBI and CIA files).

The HSCA's information relating to Sierra is summarized in a book by HSCA staff members Robert Blakey and Richard Billings, "The Plot to Kill the President." The Sierra material takes up a substantial part of the chapter entitled "Cuban Exiles and the Motive of Revenge."

Blakey and Billings said that a "background check [on Sierra] stimulated our interest in a Cuban exile - Mafia connection that just might have had a bearing on the assassination."

Sierra reportedly said that he had backers who would provide a large sum of money - \$30 million - to finance an invasion of Cuba. "Sierra was saying publicly that it [the money] was being donated by U.S. corporations whose assets in Cuba had been expropriated.... According to several sources, the real benefactors were members of the underworld, whose gambling interests in Cuba had indeed been expropriated by Castro.... There were other indications that organized-crime figures were behind the Sierra plan...." By June 1963, the FBI in Chicago concluded that Sierra was "a con artist."

Blakey and Billings said that they "were able to document in detail Sierra's activities and his apparent connection, or that of his backers, to organized crime," but that "the relevance to the assassination remained undetermined." (P. 174)

My colleague Peter Dale Scott and I studied the HSCA's Sierra material in some detail when the report was published. At first, Scott (like Blakey and Billings) was interested in the apparent connections between Sierra and various people whose names had become familiar in the JFK assassination controversy. (For example, Antonio Veciana, Gerry Patrick Hemming, and Rich Lauchli.) Scott found additional possibilities for links between Sierra's associates and Lee Harvey Oswald.

Scott came to doubt Blakey's belief that organized crime was the dominant force behind Sierra's Junta. Scott interviewed a number of the principals, including Sierra. (Sierra's employer, William Browder, essentially supported Sierra's account of the formation of the JGCE.) Sierra was displeased that the HSCA had depicted him in such a sinister light, and that he had not been interviewed by the Committee or its staff.

Sierra specifically objected to the implication that he was working in opposition to the policy of the Federal government. According to Blakey and Billings, "Sierra told the exile leaders that he spoke for a group of American businessmen in Chicago who wanted to join forces with them to overthrow Castro, with or without the approval of the U.S. government." (P. 174)

Scott found a published reference to Sierra which indicates that he was indeed coordinating some of his actions with the U.S. government at a high level.

In his biography of Robert Kennedy, Arthur Schlesinger discussed an anti-Castro operation in Central America involving Manuel Artime. "Hal Hendrix of the <<Miami News>> supposed [this operation was] managed either by CIA or, 'on a hip pocket basis,' by the Attorney General [Robert Kennedy] himself." Luis Somoza, "son of the thieving Nicaraguan dictator," tried to learn of the attitude of the U.S. government toward that operation. Somoza "was soon telling Caribbean notables that he had received a 'green light' from Robert Kennedy...."

Schlesinger noted that a State Department official said that Somoza had not in fact gotten that approval, when Somoza's claims were repeated to him in a meeting in August 1963.

Scott was able to obtain a memorandum concerning that meeting under the Freedom of Information Act.... (Memo by John H. Crimmins, Coordinator of Cuban Affairs in the State Department, August 17, 1963)

The man who repeated Somoza's claims was Paulino Sierra, who said that he had been in touch with Somoza, who had offered him a site for a base. "Sierra and Rivero said they had to know what truth there was in Somoza's assertion about U.S. support for him before deciding whether to accept his offer or to go it alone." (Crimmins memo, p. 2)

Sierra and his associate, Felipe Rivero, described themselves as "[d]evoted... to the United States and conscious of the need to do nothing that would run counter to U.S. policy." (P. 4) Sierra "emphasized again the desire of his supporters not to operate contrary to U.S. policy." (P. 6)

Prior to the meeting, the Attorney General's office informed Crimmins that "the Attorney General had been talking to Enrique Ruiz Williams and that, as a result, Dr. Sierra would be calling [Crimmins] for an appointment." Williams, also known as Harry Williams, is generally considered to have been Robert Kennedy's principal liaison with the anti-Castro Cuban

community. In his phone call, Sierra apparently suggested that Williams was a "mutual friend" of himself and Crimmins.

It is possible, of course, that this contact with the government was an attempt by Sierra to provide a cover for his true motives. However, Scott believes that the operations of the Junta may have been part of the policy of "autonomous operations" against Cuba, which was formally approved in June 1963. While the Kennedy administration was openly cracking down on the most prominent anti-Castro groups operating in the U.S., it was also encouraging deniable operations abroad.

According to the HSCA, State Department counsel Walt Rostow "proposed a 'track two' approach to Cuban operations to parallel regular CIA-controlled Cuban teams." The U.S. "would provide general advice, funds and material support," but "would publicly deny any participation in the groups' activities." "All operations had to be mounted outside the territory of the United States." (10 HSCA 77)

In contrast, Blakey and Billings emphasized that when Sierra came on the scene in Miami just a month earlier, in May 1963, "the exile movement was in disarray; the United States had just stopped funding the Cuban Revolutionary Council; U.S. law enforcement agencies were cracking down on guerrilla activities; and factions within the exile community were politically polarized...." (P. 171)

Blakey and Billings noted that Sierra was "virtually unknown (his only mark of public prominence was that he had formed a Cuban lawyers association in Chicago)...." (P. 171) After talking with Sierra, Scott concluded (with support from documents at the Kennedy Library) that Robert Kennedy's office was worried about the many Cuban exile professionals who were doing menial work in the U.S., and directly encouraged the formation of such organizations. That is, Sierra's previous public activity may be not an exception to his relative obscurity but a clue to his key sources of support.

As Schlesinger noted, the record of the mid-1963 anti-Castro efforts based in Central America "is unusually murky." Someone in the CIA got the Crimmins memo, although its existence is not reflected in the CIA material quoted by the HSCA. Blakey and Billings quoted a CIA memo dated two days before the assassination of President Kennedy, whose author reportedly found it "curious that Sierra had for so long managed to hold a position in the exile hierarchy: 'Perhaps his mysterious backers are providing him with sufficient funds to keep the pot boiling....'" (Pp. 173-4)

To improve the historical record, I think that the Justice Department should at least perform a more complete file review than reflected by the published HSCA material.

In addition, any surviving principals should be allowed to respond to the HSCA's charge that the JGCE may have been a tool of organized crime.

69. Excerpts from Schlesinger, "Robert Kennedy and his Times."

70. Crimmins memo, 17 Aug 63, 6 pp.

In an informal interview published in "Lobster" (#1985.99), Peter Scott apparently gave Robin Ramsey his "three-hurricane theory" of the assassination. That expression, from Mark Allen, derives from a powerful alcoholic drink popular in New Orleans, after three of which any buff will tell you what he <<really>> thinks happened in Dallas.

"I think that the Kennedys really had started a new type of Cuban exile movement against Castro, the chief element of which was that there would be money to go anywhere else they liked, in the Caribbean, to find their bases. They would get money for training and they would get a green light, but it meant the Cubans got out of the U.S.... And I think this operation was penetrated from the very beginning. This may be the key to the assassination, in fact. [Ramsey: Penetrated by whom?] First of all by the CIA because they wanted to know what was going on, for a minimum. But this was another slap at them: the Kennedys doing what they were supposed to do. And they, that is the CIA, were being accused by Bobby Kennedy of having dealt with organized crime people. And I think the first thing the CIA did was to get Cubans into the operation who quickly turned round and started dealing with organized crime figures. This was the so-called Junta.... The CIA files on this operation, the Junta, make it look more and more like an organized crime operation from beginning to end. The House Committee, rather foolishly, without interviewing anybody, put the contents of this file into Vol. 10 of its report as if it were all fact. Now, what a perfectly invulnerable vantage point to have shot Kennedy from, if you used the assets of that operation to kill him. That would explain Bobby's sense of paralysis, because it was his operation."

Based on what I know at the moment (i.e., not counting all the material from Scott which I have forgotten), the possibility of relevance to Oswald or the assassination is intriguing, but it seems so tentative, indirect, and speculative that I don't want to offer a further opinion at the moment.

In any event, the Sierra story says something interesting about the HSCA investigation. Putting it as generously as possible, it suggests that Blakey's expertise in finding organized crime links had the effect of a filter in a case where obscure links also pointed in other directions. This problem differed from those the HSCA faced with Oswald and Ruby, where most of the alternative interpretations were well known in advance. I am not saying that the organized-crime angle was definitely absent, but the actual situation regarding Sierra was both more complicated and more interesting than the Blakey & Billings version indicates.

Peter Scott's half of the unpublished 1980 book "Beyond Conspiracy" dealt in part with the milieu of the Chicago Junta, and related matters. Although the manuscript was set aside after Pocket Books decided not to publish it, we have not forgotten about it and still hope to get the information out in due course.

#### <<CREDITS>>

This issue of EOC is dedicated to the memory of my mother, Dr. Comelia Hoch-Ligeti, who died in May at age 79, after a long career in medical research. (WP, 31 May, p. B6)

Thanks to T. Cwiek (#49), T. Gandolfo (63), G. Hollingsworth (30), H. Hurt (37-42, 44, 49-50, 53-60), F. Krtulja (19, 22), P. Lambert (19), M. Lee (14), H. Livingstone (51-2), B. McKenna (51-2), G. Mack (15, 35-6), J. Marshall (18, 20), P. Melanson (27, 29), J. Mierzejewski (26, 61), H. Nash (16), R. Ranfelt (33, 41, 65), M. Reynolds (41), J. Rose (34), M. Royden (62), P. Scott (69-70), G. Stone (17-8, 21, 28), E. Tatro (31-2), and D. Wrono (46). And thanks to L. Iacocca and Cherrie for the address labels.



# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 8, Issue 3, October 31, 1986

## <<THE ACOUSTICAL EVIDENCE>>

One reason for questioning the authenticity of the DPD Dictabelt is the presence of certain messages relating to Officer Tippit. Basically, the following exchanges are suspect because of their content, the formal tone of transmissions 590 and 592, and the apparent absence of the expected reaction. (See 3 EOC 7.2. The message numbers and the transcriptions are from the Kimbrough transcript.)

389. [Disp.] 87, 78, move into central Oak Cliff Area.  
390. [78 (Tippit)] 78, I'm about Kiest and Bonnie View.  
391. [87 (Nelson)] 87's going north on Marsalis on R. L. Thomson.  
392. [Disp.] 10-4....  
588-589 [Disp.] 78. [78] 78.  
590. [Disp.] You are in the Oak Cliff area, are you not?  
591. [78] Lancaster and Eighth.  
592. [Disp.] You will be at large for any emergency that comes in.  
583. [78] 10-4.

I sent my analysis to Prof. Murray Miron, a psycholinguist whose work on another case was described in 8 EOC 1.2. The following is from a letter I sent to the Justice Department on September 16, 1986, describing his independent analysis, which provided some support for my own work:

"Prof. Miron... has not yet prepared a formal report, but he has provided me with the following conclusions: 'Our preliminary findings... suggest that the communications directed to Officer Tippit are anomalously at variance with the other transmissions of the tape record.... The transmissions to Tippit are quite stilted. They have the appearance of transmissions made more for an audience's benefit than those for which the intent is to convey instructions. The query regarding Tippit's current position is rhetorical rather than questioning.'"

"Prof. Miron emphasized to me that his analysis does not preclude a quite innocent explanation for the anomaly. The messages could have been added to the recording after the fact, or they might have been made in 'real time' but sound anomalous because the persons involved knew that something unusual was going on."

"For example, if Tippit was taking time to attend to personal business (as suggested by Mr. Hurt's book), a dispatcher might have covered for him by assigning him to the Oak Cliff area, with his voice betraying his knowledge that the assignment was not routine but somehow designed to keep Tippit out of trouble. (This is clearly speculation, of course.)"

"Even alteration of the recording after Tippit's death could have been motivated by nothing worse than a desire to protect his reputation."

"On the other hand, the rebuttal of the HSCA's acoustical analysis by the Ramsey Panel rested in part on the belief that the police would not tamper with important evidence."

The rest of this letter (#71; 4 pp., including my 1981 letter to Barger on these messages) mostly repeats information from EOC (e.g., 7 EOC 2.2), with one other new point:

"Mr. Todd Vaughan sent me a copy of a letter from the National Archives to him, dated March 2, 1982. (#1986.72) In response to an inquiry about the disposition of the Dallas Police Dictabelts, Mr. George Perros told Vaughan that the Justice Department, since receiving that evidence from the HSCA, has 'returned it to the Dallas Police Department, according to an official of the Justice Department.' I hope that you did keep copies; in any event I think you really should get the originals back."

Unfortunately, it is very unlikely that anyone will do anything with this; my letters to Justice are not even routinely acknowledged these days. As far as I know, the JD has neither finished nor abandoned its long-overdue review of the HSCA report.

## <<LONDON WEEKEND TELEVISION PROGRAM>>

73. 31 Jul 86 (NY Post) "23 year[s] later, Oswald goes on trial" Twenty-five witnesses recently appeared before TV cameras (and a judge and jury from Dallas) in London. They included medical, forensic, and ballistics experts, and some eyewitnesses; several were not called by the Warren Commission. The verdict is being kept secret. Edited highlights will be shown on two nights, around November 22.

Harry Chandler, director of program development at Showtime, said that some of the witnesses "had a real tough time on the stand. It was fascinating. There were matters brought up which were not considered by the Warren Commission, matters relating to the body of the President and his wounds. The jury saw a version of the Zapruder film... which was enhanced... and there was information in the stills I was unaware of."

"Said prosecutor (Vincent) Bugliosi: 'In the future, this is the document that researchers into the assassination will want to get their hands on.' Defense attorney (Gary) Spence: 'It doesn't matter who won the case. The American people are the winners here.' Spence is good at dramatically presenting the innocence and virtue of his clients - probably not the best way to get at the historical truth about Oswald, but we'll see."

I hope that LWT will be able to make available any information which was too complicated for TV but of potential value to researchers. Letters to Showtime can't hurt.

74. 16 Jul 86 (AP) General comments by a LWT spokesman. The program "would be a documentary exercise, not a dramatized reconstruction." It "would be modeled on the company's recent mock trial of... King Richard III."

75. 16 Jul 86 (AP) Comments by U.S. District Judge Lucius Bunton (a cousin of LBJ), who was to play the judge (trying the case under present federal law, not 1963 Texas law).

## <<ALSO ON TV>>

I missed "Yuri Nosenko, KGB" on HBO in September. Would someone like to give us more information than these clippings?

76. 31 Aug 86 (NYT) The story is told "from the perspective of the CIA agent [in the Soviet Bloc Division, under Angleton] who virtually scuttled his own career by insisting that Mr. Nosenko was a Soviet double-agent sent to spread disinformation." British playwright Stephen Davis said he "spent six months trailing around after people from the intelligence community who were centrally involved."

77. 5 Sep (LAT) A very favorable review. Davis' best guess: Nosenko was a disinformation agent whose "job was to be dangled in front of the CIA in Europe, but... he was not supposed to defect.... The central mystery is why the CIA went to such extraordinary lengths to rehabilitate Nosenko, as if he had been trustworthy. I think the case is unresolvable."

78. 5 Sep (UPI) The 90-minute program is "fascinating... history."

79. Sep 86 (Cable Guide) [2 pp.] "Davis spent a year researching the script with the help of Edward Jay Epstein." The Russian émigré actor who played Nosenko thinks he was a real defector. Davis concluded that "every way you turn it around you find it's like a Rubik's Cube that won't ever quite work out." Not a bad analogy for the whole JFK case.

## <<WORTHY ORGANIZATIONS>>

If you did not get a letter from AARC in mid-August, please ask me for a copy. (#80, 2 pp., no charge) This includes a "special plea for permanent members" from Bud Fensterwald. The primary goal is not to get the membership fees, but to demonstrate a substantial degree of public support when approaching private foundations - the few which are willing to become involved with such a controversial topic. Institutional memberships would be particularly appreciated.

Item #80 also includes a progress report, dated August 1. Among other things, Jeff Meek's massive index of (mostly) published JFK material has been computerized. I am now on the Board of Advisors, not the Board of Directors.

"The Third Decade" (see 6 EOC 4.4) needs (and deserves) more subscribers.

I have a descriptive form letter from FAIR, "Fairness & Accuracy in Reporting." (#81, Sep 86, 2 pp.) The director of this new progressive counterpart to AIM is Jeff Cohen; fellow AIB veterans Marty Lee and Bob Katz are also involved. FAIR has been involved "in the effort to expose and counteract ABC's pending 12-hour miniseries, 'Amerika.'"

## <<THE SAGA OF EARL AND EDGAR>>

A story on the Warren Commission got a lot of newspaper play on the day after Thanksgiving last year - remarkable, even though that was, as usual, a slow news day. As noted in the NYT's news summary (#82, 29 Nov 85), the WCR "apparently ended a long political alliance between [Warren and Hoover], according to Government documents just released. The commission criticized the FBI for what it called its 'unduly restrictive view of its role in preventive intelligence.' Mr. Hoover said the criticism was unjust."

The story itself appeared on page 32, with a Durham (NC) dateline, as a "special to the NYT" with no authorship indicated. (#83, with photos) The article seems rather unfocused. (It does not even specify what 1300-page file had been released under FOIA; it was the FBI's file on Warren.)

Among other things, the dispute got Warren dropped from Hoover's list of favored correspondents, although he had been there on a first-name basis.

The NYT story derived from an article in the Durham Morning Herald by Durham lawyer Alexander Chames (aided by a grant from the Fund for Investigative Journalism). (#84, 24 Nov 85, 3 pp.) Experts quoted include Harold Weisberg, who "believes that Warren knew that the FBI was withholding" but "felt that it was his national duty to preserve tranquility... and therefore... did not press the FBI." (Chames noted that some of his information came from previously released documents which Weisberg had.) Warren biographer Edward White said that "the chief justice really believed, given what they were investigating, that the FBI and CIA would cooperate with the commission."

The rift is not news to us; it was mentioned in some of the press coverage of the 1977 FBI release. Chames' account emphasizes how closely Hoover cooperated with Warren in previous years.

The topic of the FBI-WC interaction (especially on the question of what the FBI knew about Oswald) has long been a special interest of mine. It was the subject of a draft manuscript which I put together in 1972, in those pre-Watergate days when I thought what we had to do was persuade some people, with detailed arguments based on WC documents, that just maybe the Warren Commission (without being part of a conspiracy) had blown it. That manuscript is quite out of date, of course. Now I often find myself trying to convince people that the original investigation was not simply a complete and deliberate coverup. The released FBI documents tend to support my original analysis - although the FBI's hostility was far worse than I could infer from the WC files. The manuscript did serve some purposes; among other things, I think

it led the HSCA to uncover much of the story of the deletion of the Hosty entry from the FBI listing of Oswald's notebook. (HSCAR 186) If you did not see that 1972 manuscript long ago, please let me know if you are interested. (98 pages, each two reduced pages of double-spaced clean typescript; index included; cost (including postage): \$6 or less, depending on the number of requests received by January 1, 1987.)

<<A BREAK FROM CLIPPINGS (FOR THE REST OF THIS ISSUE, AT LEAST)>>

Current clippings are generally less interesting than, e.g., old clippings and the HSCA volumes. What are people interested in reading about in EOC, or getting copies of? (My Garrison analysis [#1986.68] generated just one request for a copy.) What about new FBI and CIA documents, or my old files of WC documents?

I would particularly like to hear from the people who have been helpful by sending me clippings, especially if you feel I have incurred an obligation to list them in EOC, or to otherwise preserve or disseminate them.

I just drifted into doing a newsletter; should I drift back to reading documents, or to some other projects? Do we collectively have the computer power, the time, and the interest to divide up work on indexes, lists of clippings and documents, and chronologies? I would appreciate help with these difficult questions. In the meantime, some documents, more or less from the top of the pile on my desk.

<<FROM THE WARREN PAPERS>>

As noted in 7 EOC 3.10, some of Warren's files at the Library of Congress have been released.

In March 1974, Alfred Goldberg (the WC's staff historian) interviewed Warren about the Commission's work. The transcript [11 pp.] is #85; correspondence about it is #86 [2 pp.] Warren took Goldberg up on his offer to make changes; according to his secretary's letter, he "expressed reservations to me about the wisdom of including the material concerning the personal and political views of certain members of the Commission.... He has never made any comment about the difficulties he may have encountered with the other members, and after reading what he had told you he felt it would be better if those portions were not included."

Of course, the passages marked for deletion are the most interesting. "The Department of Justice sent a young man over to the Commission to act as liaison with them. He was very critical of me from the time he came over to us. Lee Rankin as Chief Counsel was in a very delicate position." This reference is probably to Howard Willens (age 32), who was listed as liaison with the Justice Department, and who can be rather difficult, I am told. Warren may also have been thinking of Charles Shaffer (age 31), who (according to John Davis' book) was detailed to the WC by RFK to keep an eye on Hoffa-related leads.

There are other deletable tidbits on personnel matters, and other fairly interesting comments. For example, Sam Stern's report on the SS and FBI was not thought to be "objective or logical" (his work was actually quite good); the story of Oswald in Alice, Texas, held up the Report (news to me, if true); there were "no special problems from Hoover and the FBI"; and the testimony of the autopsy doctors was the "best evidence" on the wounds.

Warren's files include a nonsubstantive response to Wesley Liebelier's memo of November 1966, in which he recorded David Lifton's observation of the "surgery of the head" remark in the Sibert-O'Neill report. (See "Best Evidence," Ch. 10.) In a short note to Rankin, dated 12 Dec 66, Warren said that what Rankin told "Liebler" in his letter of 1 Dec "was correct and in the right tone. I believe that many people who were somewhat enamored by Lane and Epstein are finally becoming disillusioned." (#87)

Speaking of the Warren Commission staff, "Professional men who wear bow ties to the office are distrusted by almost everyone, says image consultant John Molloy. Attorneys traditionally avoid putting a bow tie wearer on a jury because they believe the wearer is not likely to be moved by sound argument." (#88, UPI, 28 Dec 85)

Also from the Warren papers: a letter from the publisher of "Six Seconds in Dallas" to John McCloy, urging him to do the right thing (#89, 5 pp.); McCloy's draft response, saying that he was not impressed (#90, 16 Jul 69, 3 pp.); and an exchange of letters between McCloy and Warren (#91, 3 pp.), in which Warren agreed with McCloy but suggested that he not send the letter.

<<CIA INTEREST IN IDENTIFYING THE MEXICO MYSTERY MAN>>

Last November, the CIA released eleven documents to Bud Fensterwald in connection with his FOIA request for records relating to efforts to identify the Mexico Mystery Man (MMM), the man whose description (taken from Embassy surveillance photos) was attached to Oswald in October 1963.

The new documents are among 54 which "relate to a theory explored in 1977 that a particular foreign national might be the unidentified man." That individual had been a target of CIA intelligence interest for many years for reasons unconnected with the Kennedy assassination." (From #92, CIA to Fensterwald, 29 Nov 85, 2 pp.)

The substance of this material interests me less than the fact of the CIA's interest. The suspect's nationality is withheld, but I would guess he is Russian or Cuban. I see no reason to assume that he was thought to be a KGB or DGI covert operative, rather than (say) someone involved in "innocent" diplomatic or technical activities of interest to the CIA.

The basic CIA analysis is a "memorandum for the record," dated April 1977. (#93, 12 pp., with much deleted) Oddly, the author seems to take seriously the "Saul" story in Hugh McDonald's book, "Appointment in Dallas." (Although I found little credible in that book. McDonald and his purported friend, Herman Kimsey, were interesting people.) Over half of this memo talks "striking parallels between the backgrounds of 'Saul' as given in McDonald's book and [deletion]." (Only the published half of these parallels is not deleted.) After noting that "McDonald said he believes 'Saul' was telling true story," the CIA author wrote "I do too."

This memo seems to have been prompted by the fact that "On 17 March 1977, [deletion] recognized photographs of the unidentified man as [deletion]." (#94 records a request of March 11 to show an MMM photo to an unnamed subject.) McDonald's Identikit composite of Saul is said to "bear a striking resemblance to the photos of [deletion]." (Speaking of striking resemblances, anyone who is not convinced that they sometimes occur by coincidence, not conspiracy, should have a copy of my #95, including a photo of Zbigniew Brzezinski looking rather like the MMM. I will not entertain conspiracy theories involving Brzezinski.)

Items #96 (25 & 29 May 77, 3 pp. in all) relate to a photographic comparison which concluded that, within the limitations of poor photo quality, the two subjects "could very likely be the same person."

Another memo, also dated only April 1977, seems to be a summary of the theory. (#97, 3 pp.) Practically everything of substance is deleted.

This information may have been made available to the HSCA. Scott Breckinridge was instructed to review this material and make it available to Blakey and Gary Conwell "if appropriate." (13 Jul 78, #98) The author of this memo tried to maintain some distance from the theory. "Although the material contained in the attached folder is entirely theoretical and does not constitute an official file or position of this Division or Agency, it may be of interest to... the HSCA." If made available, it would be "with the understanding that it is a theoretical unofficial research undertaking." The folder contains "informal and preliminary research based on a <<theory>> that [deletion] might be identifiable with" the MMM.

What do we know about the CIA researcher who pursued this hypothesis? Only that she "undertook to research the theory that [deletion] might be the unidentified man as a result of the in-depth study she conducted as the [deletion] of this Division's efforts to determine if there could have been Cuban complicity in the John F. Kennedy assassination." (From #98)

What an interesting effort for the CIA to undertake during the HSCA probe. I assume it was not done to absolve Castro. Why was it done, at least in part, "unofficially," and by someone who took the Saul story seriously? What else did she and her colleagues believe? Can anyone tell us more about this in-depth CIA study? I guess it was related to the Task Force Report prepared in response to the Schweiker Report. (HSCAR 108, 10 HSCA 156)

The memos, as released, do not say much about possible Cuban involvement. The second April 1977 memo asks three questions, including "Could [deletion] be 'Saul'?" and "Could [deletion], therefore, be mystery man who boarded plane in Mexico City for Havana on 22 November 1963?" (Cf. HSCAR 117) (The third question is deleted.)

Related released documents: #99, 4 pp. The CIA list of 40 documents on this subject (dated 12/62 through 7/78, mostly withheld) is #100, 3 pp.

<<NAZIS AND OTHER ANTI-COMMUNISTS>>

Former Justice Department official John Loftus made some noteworthy comments in his House testimony on a GAO report on Nazi war criminals in the U.S. (For more on Loftus, see 6 EOC 4.10.) In a list of 29 areas which he could talk about only in executive session, he included "17. Nazi connection with covert assassination programs" and "19. Warren Commission files involving Nazi recruitment programs."

Does anyone know what this might be about? Larry Haapanen suggested that CD's 597, 817, 1096, and 1544 might be related. CD 1096 (6 pp.) appears to be a routine review of a French book entitled "Fascists and Nazis Today," which speculated that right-wing Hungarian refugees were under close FBI surveillance; this book came to the Commission's attention because it was mentioned in the NYT. CD 597, described as a BND [West German Intelligence] file, came to the WC from the FBI. According to CE 3107 (to which CD 1544 relates), CD 597 is a routine-sounding unsupported allegation of a pre-assassination reference to Oswald. CD 597 could be the material forwarded by the WC to the CIA, whose reply, CD 817 (CIA #660-833), was described (in the uncensored CD list) as relating to allegations concerning Anton Erdinger. The CIA indicated that the subject matter was so peripheral to the WC's work as to call for no further investigation.

Loftus' testimony is #1986.101 [17 Oct 85, House Judiciary Committee Serial 39, 8 pp.] Among other interesting points, he noted that several of the most famous KGB moles in England were involved with Nazi immigration into the U.S., and he said that "the Nazi groups which we imported from the British [were] riddled with communist double agents." (P. 90)

Loftus also alleged that "in 1944, the Eastern European fascist leaders began to defect back to the British and were reorganized into a new front group called ABN (the Anti-Bolshevik Bloc of Nations)." (P. 89)

In 1959, the secretary-general of the American Friends of the ABN was Spes T. Raikin. He is now a history professor at East Stroudsburg University, in Pennsylvania; his letter on the history of the oppression of his fellow Bulgarians recently appeared in the NYT. (#102, 10 May 86)

As a volunteer for Traveler's Aid, Raikin talked with the Oswalds on their return from the USSR. (Peter Scott discovered Raikin's interesting past connection to ABN; see "The Assassinations," p. 366, or "The Dallas Conspiracy, p. II-23.) I know of no actual evidence that his contact with Oswald was other than routine.

Raikin apparently was the conduit for a claim by Oswald that he went to Russia with the State Department's approval, either to work as a radar specialist or to serve with the Marine Corps at the Embassy. (CD 1230, p. 3; 26 WCH 12; Oswald's claim is erroneously reported as a fact known to HEW in CD 75, p. 461, and Summers, p. 217.)

Most probably Oswald himself was trying to mislead people about his stay in Russia. I wonder, however, if Raikin might have had an interest in portraying Oswald as an agent of the State Department, rather than (say) as a loner, or as an agent of another intelligence agency? (Just speculating.)

<<BOOK NEWS>>

Kitty Kelley's new book on Frank Sinatra ("His Way," Bantam, \$21.95) is rather political, with quite a bit on the Kennedy-Exner-Giancana-Sinatra nexus. I think there is some new information, much of it apparently based on allegations by Peter Lawford (who would not talk about JFK's "broads").

For example, Lawford "formally approached his brother-in-law by making an appointment to see the attorney general in his office at the Justice Department. There Lawford begged Bobby to listen to Sinatra's pleas for Giancana. Robert Kennedy intended to make Frank's mobster friend the Justice Department's top priority in Chicago and curly told Lawford to mind his own business." (P. 293)

Notre Dame professor "Paul Blakey" (then a JD lawyer) told Kelley about an opposing attorney who indicated an acquaintance with the then-Attorney General, RFK; Blakey was told that, from electronic surveillance, it was known that the attorney "had Sinatra's money in West Virginia and that it was mob money." (P. 530(n))

"FBI records indicate that when in 1961 Carlos Marcello... had become one of Bobby Kennedy's targets for deportation, the New Orleans don contacted Santo Trafficante... who in turn called Frank to use his influence with the President's father on Marcello's behalf." (P. 295) This story has appeared (with little emphasis) in the Blakey-Billings book (which does not specify that a contact with Sinatra was made; p. 242) and at 9 HSCA 70 (which does not specifically refer to JFK's father).

Years after the JFK assassination, "when [Sinatra] learned that Lee Harvey Oswald had watched <<Suddenly>> a few days [sic] before shooting the President, he withdrew the 1954 movie in which he played a deranged assassin paid to kill the president. He also forbid the release of <<The Manchurian Candidate>>." (P. 328; cf. 1 3D 6.13, noted at 7 EOC 3.9)

In a column prompted by the book, W. Safire called Reagan's award of the Medal of Freedom to Sinatra "obscene." (30 Sep, #103) In 1975, Safire had strong words about the Sinatra-Exner-Giancana story (Davis, pp. 740-1); I don't know if the Church Committee took up his challenge to question Sinatra.

There is a provocative sentence in Dan Moldea's new book on Reagan, MCA, and the Mafia, "Dark Victory." In a discussion of Joseph Hauser, "a convicted insurance swindler who... allowed himself to be used as the hub of several FBI sting operations... that yielded a pending indictment against [Trafficante] and the bribery conviction of Carlos Marcello..." Moldea asserts that "Hauser had also received thinly veiled admissions on tape from Marcello during... BRILAB... that he had been directly involved in the assassination of John Kennedy twenty years earlier." This unfootnoted claim is contrary to what I recall from earlier reports, which were along the lines of Blakey's assertion that even though Marcello admitted his Mafia membership, he "pointedly refused to discuss" the assassination. (Blakey & Billings, p. 242)

Can anyone clarify this issue for us? One reason for my skepticism is apparent overstatement in some other references to the JFK case. Moldea says that Oswald "had close ties with the Carlos Marcello Mafia family in New Orleans, particularly with Charles Murret, a top man in Marcello's Louisiana gambling network. Oswald had also been seen by numerous witnesses meeting with Marcello's personal pilot just days before he murdered the president." While Murret's importance to Marcello and his closeness to Oswald are debatable, the claim in the subsequent sentence is news to me. Also news to me in part, and disputable in part: that "many of those on the panel [i.e., the Warren Commission] had been directly involved with the CIA in the CIA-Mafia plots to murder Fidel Castro - which the Kennedy brothers had no knowledge of until May 1962, at which time they ordered them stopped." Who on the WC besides Dulles? (See Moldea, pp. 234-5, 338-9; #104 [2 pp.])

I have also read "Alias Oswald," by W. R. Morris and R. B. Cutler, and "JFK: The Mystery Unraveled," from the Liberty Lobby's "Spotlight." (#105: ad from "Spotlight" for the book [107 pages for \$6.95]; see #1985.102 for one chapter.) I would prefer not to have to say more about these books, so I won't, at least in this issue.

I have some relatively routine reviews of the Hart book, and a few of the Davis book (which is now out in England, and will appear next March in a German edition with new material on Marcello). The first part of "Best Evidence" has been out in Japan for some time now, and you can have a sample page to impress your friends. (#106, with drawings of the head wound)

If you are interested in the problems facing authors of serious nonfiction, I recommend "Publishers wary of lawsuits: Libel Lawyers Wield Blue Pencils on Books." (#107, LAT, 26 Jun 86, 3 pp.)

<<KAL 007>>

Three months after the KAL disaster, while the press was noting the twentieth anniversary of the JFK assassination, the government was seemingly commemorating it with a major coverup, arguably the biggest in twenty years.

On the occasion of the publication of Seymour Hersh's new book, "The Target is Destroyed," Time magazine drew a different parallel: "Like the Kennedy assassination, the KAL incident has created a cottage industry of conspiracy theorists.... Hersh's explanations [excerpted] in the <<Atlantic>> seem far more convincing. They involve no conspiracies or even any evil intent on either side. Yet that is hardly reassuring. It is in some ways more frightening to be reminded just how fragile sophisticated military systems are and how frail their human operators can be." (#108, 1 Sep) A valid enough conclusion, but I think it is a misreading of Hersh's book, and even more so of his evidence, to call his account nonconspiratorial.

# 109 is a favorable review and good summary by J. Nance. (28 Sep, SFC) Hersh's main point is "the mishandling of intercepted electronic intelligence by the Reagan administration.... He paints a fascinating picture of how an outraged government seized on the worst possible interpretation of the earliest intelligence reports and jumped to the conclusion (without adequate evidence) that the Russians had indeed identified the target as a civilian airliner," although Air Force Intelligence knew promptly that they had not.

There are indeed parallels to the JFK controversy. Hersh' appearance on TV in SF was very *deja vu*, reminiscent of the Lane - Belli encounters of 1964. Hersh was cast into the Belli role, arguing against allegations that KAL 007 was on a spy mission, partly with facts and partly by asking if people could really believe that our CIA would send 269 people to certain death. The role of Mark Lane was taken by Melvin Belli, of all people, who is representing the families of some victims. Belli acted old and lawyerly. The direct involvement and intensity supplied by Marguerite Oswald in 1964 was provided by the mother of one of the victims. To my surprise, the studio audience was very conspiratorial, and I found myself sympathizing with Hersh.

There is, of course, very little hard evidence available. The argument about whether 007 could have been off course by accident is reminiscent of the acoustical analysis. It is even more technical, and looks to me like an argument among experts, unresolvable by laymen. For its flavor (with somewhat out-of-date information), see the rather nasty exchange between M. Sayle and D. Pearson (#110, NY Rev, 25 Apr and 26 Sep 85, 27 pp.)

Hersh's Arlen Specter is airline pilot Harold Ewing, whose "single-bullet theory" is a detailed reconstruction of the chain of errors and omissions which could have put 007 on the course it took. Remember, I'm inclined to believe the SBT, so that is not a pudge - but if you believe Ewing's account you may never want to fly again.

Hersh's Angleton is General James Pfautz, the head of Air Force Intelligence. He is not as peculiar as Angleton, but almost as heavy. The book, however, does not speculate on the possible importance of the split represented by someone of his rank going public with his dissent.

One parallel drawn by "Time" and others is basically misleading - the allegedly nonconspiratorial nature of Hersh's "innocent" explanation. Indeed, Hersh seems to treat the ideology of Reagan and his crew as an external, almost extenuating, factor. (They rushed to judgment "in what amounted to good faith...." (P. 249)) The story of how the Air Force version was discounted emphasizes normal inter-service bureaucratic infighting and personal conflicts.

With the same facts, someone could make what happened sound like a very substantial conspiracy. Hersh does tell us that a general requested a phony report justifying provocative action against Russia, but was turned down (p. 74), and that a hardline deputy to William Clark discussed military action against Cuba (p. 122-3). The government's insistence on "look[ing]

the other way when better information became available" (p. 249) is arguably at least as bad as planning a covert action which unpredictably failed. I don't find that alternative as implausible as Hersh tried to make it sound when arguing with the conspiracy buffs. The government's anti-Soviet campaign based on false intelligence undeniably did endanger many innocent people, albeit obviously to a lesser degree than using an airliner on an intelligence mission.

For a moderately conspiratorial view, see the book "Shootdown," by Oxford professor R. W. Johnson. (#111 [2 pp.] is his own summary, from the London Telegraph (18 May 86), as reprinted in *Intelligence/Parapolitics*.) Before reading the Hersh book, I found "Shootdown" quite plausible in concluding that KAL 007 was probably being used as a passive probe, in the reasonable expectation that the worst that could happen was that it would be forced to land. Hersh did not completely convince me that Johnson was wrong.

Johnson, in contrast to Hersh, is emphatic about how extreme - and how besotted with covert operations and dubious information - the Reaganites are. After all, they have given us the Contras, the plot against the Pope, Grenada, Libyan hit squads, and Star Wars. Johnson's distance from an American perspective is occasionally off-putting, but more often helpful.

Hersh's debunking of more conspiratorial accounts is often persuasive, but not always. For example, his suggestion that the Russians planted a phony black box, and that the crash site can be located in Russian waters from the testimony of Japanese fishermen who turned up with gasoline-soaked notes more than 30 days later, may be true, but the book doesn't deal with Johnson's detailed arguments about the search for the black box.

Hersh has no indexed reference to the KCLIA (whose alleged connections to KAL get much attention from Johnson). More relevant to his own story, Hersh does not (I think) refer to all to Korean COMINT capabilities, or to the presence or absence of US COMINT facilities in Korea. In my mind, this leaves a gap in his assertion that he came across no indication of any prior or realtime knowledge of a mission involving KAL 007, and that he would have done so.

The book certainly doesn't give the impression that the story was in any sense handed to Hersh, or that he is a friend of the intelligence community. For example, he throws in an apparently gratuitous disclosure of the location of some NSA facilities. (P. 47n) There are many other juicy details. But one has to wonder if what he learned represents a major ongoing split within the government. People talked to him, and he got things using FOIA. Was that just because he is a good reporter?

The existence of dissenting positions in the intelligence community is not a completely new story; some newspapers reported on it in 1983 (pp. 177, 265), and there was a bit of a flap when a writing Pierre Trudeau revealed some of what he knew in October 1983.

I wonder about the timing of a decision by "a senior military intelligence officer" to give Hersh his "first account" of the abuse of COMINT in this case "late in 1984." (P. xi) Did the people in the intelligence community who knew the story wait until the 1984 elections were out of the way before spilling the beans? As with Watergate and Epstein's "Legend," the disclosure of important information may itself be a bigger part of the real story than the casual reader (of "Time," and even of this book) would think.

This is in EOC because we all should be interested, not just because of the parallels with the JFK case. The case is in the courts and will not just go away. There seems to be a network of 007 buffs - are any EOC readers in touch with them?

Readers of the *Grassy Knoll Gazette* are familiar with Bob Cutler's analysis, according to which KAL 007 was not shot down by the Russians, but destroyed by an on-board explosion at the same time the Russians shot down a U.S. military plane. Cutler has published a book, titled "Explo 007." If you are willing to keep Occam's Razor sheathed, and if you trust Cutler to have convincingly eliminated all simpler explanations, you should read that book; I haven't.

<<QUERIES FROM READERS>>

Q77. According to P. Maas' book on Ed Wilson, in 1964 the CIA helped get Wilson a job as an advance man in Humphrey's VP campaign, in connection with his assignment to "Special Operations." (P. 24, #112) On the assumption that the capitalization is not a typo, can anyone tell us about such a CIA unit?

Q78. Can anyone provide a copy (or photocopy) of "Lucky Luciano," by Ovid Demaris (Monsarch Books paperback, 1960, 148 pp.)?

Q79. Does anyone have an FBI document describing a test, prior to November 29, 1963, of the firing speed of Oswald's rifle?

<<CASTRO AGAIN>>

Speaking of theories of Cuban involvement (as we were on page 5): in his March 16 speech on Contra aid, President R. Reagan closed with an anecdote from Clare Booth Luce, who recently spoke of an encounter with JFK. She said that history has time to give any great man no more than one sentence. Kennedy asked what she thought his would be. "Mr. President, she answered, 'your sentence will be that you stopped the Communists - or that you did not.' Tragically, John Kennedy never had the chance to decide which that would be." (#113, NYT, 17 Mar 86)

It sounds like Reagan was just one word away from blaming the Communists for JFK's death. ("Tragically" could have been "ironically" or "of course" or "it is no coincidence that.") (See 6 EOC 3.6 for Reagan's 1979 suspicions.) The case may not be quite as dead as it seems.

For a different perspective, see "One Thousand Fearful Words for Fidel Castro," a pre-invasion 1961 poem by S. F.'s Lawrence Ferlinghetti. "It looks like Curtains for Fidel/ They're going to fix his wagon/ in the course of human events.... History may absolve you, Fidel/ but we'll dissolve you first, Fidel." This copy (#114, 4 pp.) bears the rubber stamp of the S. F. chapter of the Fair Play for Cuba Committee, with genuine phone and P.O. box numbers.

<<LATE NEWS>>

David Phillips is to receive "substantial" damages in a settlement of a libel suit against the London Observer, over excerpts from Summers' book "Conspiracy." ("Challenge" press release and clips, #115, 2 pp.)

<<CREDITS>>

Thanks to M. Ewing (#115), B. Fensterwald (80), J. Goldberg (73), L. Haspanen (101), G. Hollingsworth (77-8, 105), M. Lee (81), D. Lifton (106), P. McCarthy (83), J. Marshall (102), S. Meagher (84), J. Mierzejewski (79), G. Owens (76), R. Ramfjel (85-7, 89-94, 96-100, 107, 110), P. Scott (104, 112), E. Tatro (74-5), and T. Vaughan (72).

# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 9, Issue 1, May 31, 1987

## <<STATUS OF THE JUSTICE DEPARTMENT REVIEW>>

In September, I asked my Congressman, Ron Dellums, to forward my query. The reply, dated December 1, came from Assistant AG William Weld of the Criminal Division, by his deputy Victoria Toensing. (For my letter and the JD letter to Dellums, ask for #1987.1, 2 pp.) It's not much of an answer, but it's the latest information I have. (My letters to the Justice Department have often not even generated an acknowledgment, much less a substantive response. For the JD's 1984 reply to a Congressman, see 6 EOC 4.1.)

My letter noted the old estimated completion dates (1984-85), and asked for the current one. Also, "I would like to know if the Department has been looking at anything other than the acoustical evidence gathered by the HSCA, and the Bronson film. In particular, have allegations of involvement by Mafia figures or the Cuban government been investigated?"

The Department "has not announced an estimated completion date for the review of the [HSCA] report and of the evidence which the report recommended be reconsidered. We have continued to receive information and views from scientists and other concerned individuals. All such correspondence is reviewed carefully by Department attorneys and, when appropriate, investigative personnel of the [FBI]. It is envisioned that the Department will soon be satisfied that public comment regarding the two Department of Justice financed analyses of acoustical evidence have been considered adequately. At that time, the Department will summarize the results of the inquiry and will submit that information with a proposal for future handling of the assassination investigation to the Congress."

As in some previous letters, the JD seems to place a surprising emphasis on the acoustical evidence, as if it were a major reason, if not the main reason, for the delay. If you know what or whom the JD has been taking seriously, please let me know.

The JD letter does not quite say that they are looking at Mafia leads, but it certainly does not say that they are not. "The Department's examination of the assassination has concentrated upon those areas of investigation proposed by the [HSCA], primarily acoustical and other physical evidence. While we have initiated limited investigative activity regarding several other aspects of the assassination, we have not conducted additional extensive investigation of those conspiracy theories which have been rejected by previous investigations and by the House Committee."

There are enough qualifiers in that paragraph to allow a wide range of interpretations, and I have no reason to believe that their language deserves careful exegesis. Maybe very little has been done since 1979 and there is just no perceived need for a statement to that effect. On the other hand, that language is quite different from that used by Robert Keuch in 1980, to the effect that the acoustics was "the only indication of a conspiracy." (2 EOC 10.1)

Speaking of the wheels of justice, at least one of them has been in motion. Stephen Trott, who signed the 1984 letter referred to above, has been promoted from head of the Criminal Division to Associate Attorney General. (#2, SFC, 16 Jul 86) Trott was a member of The Highwaymen (a folk-singing group, not a band of Contras) before he attended Harvard Law.

## <<SANTO TRAFFICANTE>>

One of the HSCA's main suspects is no longer available for Justice Department scrutiny. Santo Trafficante Jr. was in a Houston hospital for heart surgery when he died at age 72. The HSCA concluded that he and Carlos Marcello were "the most likely family bosses" to have played a role in the JFK assassination. (HSCAR 169) (#3: UPI obituary, 19 Mar 87, SFC)

The last previous news I had of Trafficante was:

4. 10 Jul 86 (UPI in SFC) "Mistrial Declared for Mob Figure"

A federal judge in Tampa concluded that the prosecutors "had impugned Trafficante's character but failed to prove their case." Of the 11 people indicted with Trafficante on racketeering charges in 1983, ten pleaded guilty and one killed himself. Dominick Napolitano, the main source of the evidence against Trafficante, was killed in 1981.

I have no idea if the Justice Department was investigating the HSCA evidence relating to Trafficante. Although the HSCA report puts him in the same category as Marcello as a likely suspect, Marcello seems to have gotten more public attention. The Blakey-Billings book, for example, discusses possible links between Marcello and Oswald, and between Trafficante and Ruby, but does not tackle the difficult task of a scenario involving Ruby or Trafficante before November 22. Trafficante's death might make some files on him more accessible under the FOIA.

## <<IN SEARCH OF MORE MEDICAL EVIDENCE>>

One of my unacknowledged letters to the JD last year directed their attention to Adm. George Burkley's comments to Henry Hurt, to the effect that he should be included among the majority of Americans who think there was a conspiracy. (See 8 EOC 1.2 for a discussion.)

Dr. Burkley's comments to Hurt may well not have been based on what he knew about the medical evidence, according to information recently provided to me. William Manchester, who interviewed Dr. Burkley five times from April 1964 through July 1966, told me that at that time Dr. Burkley said he did not believe in a conspiracy theory, and was emphatic on that point.

Also, Dr. Burkley recently told a relative of his that he did think that Oswald must have been part of a conspiracy, because the way he and his family lived and traveled was indicative of financial support. (This suspicion has been voiced by many people over the years, and the Warren Commission attempted to rebut in Appendix XIV of the Report.) This relative also asked Dr. Burkley about Lifton's book when it was published; Dr. Burkley did not provide any clarification of the issues involved, nor did he indicate that he agreed with any of Lifton's analysis.

If there is more information to be obtained about what Dr. Burkley knew, it will probably have to come from existing documents, or as the result of an official inquiry by the Justice Department.

Another military doctor who might have known something about the peculiarities of the autopsy is Leonard Heaton, the Army's Surgeon General, who died in 1983. He is mentioned only a few times in "Best Evidence," but his Walter Reed Hospital is a likely locale for some of the pre-autopsy shenanigans of November 22nd. Heaton was profiled in the December 1963 issue of "Today's Health," evidently finished before the assassination. (#5, 3 pp., partial) "This doctor is a man in a hurry, a man who refuses to let a full-time administrative job force him to put his surgical skills on the shelf, who operates at seven a.m. so he'll be able to get to his office at nine or 10 and do a full day's work."

According to Manchester's book, Heaton (on the ground in Washington) "sensed conflict" in the discussions of where to take JFK's body for autopsy. He called former President Eisenhower, who had been his patient as well as his boss. (Heaton had also treated "the mortally wounded Nicaraguan President Somoza.") Manchester, who interviewed Eisenhower but not Heaton, reported only that Ike suggested that Heaton go to Andrews Air Force Base and stand by.

Under the circumstances, I suppose the call to Ike was a reasonable one, although I would have expected a military officer to know standard procedures for dealing with conflicting instructions. If Heaton suspected that something Litonesque was going on, the call would make more sense. Nothing about that phone call could be found for me at the Eisenhower Library. In any case it seems unlikely that Heaton deferred to the Navy so much that he did not know what was going on.

The HSCA-related files extracted by Mark Allen include a memorandum of agreement between the FBI and the Armed Forces Institute of Pathology, which "establishes procedures and assigns responsibilities for providing AFIP medical investigation [sic] expertise to the FBI upon request in the event of the traumatic or unexpected death of the President" or other high officials. (5 pp., #6) (Dr. Pierre Finck was Chief of the Wound Ballistics Pathology Branch at AFIP when he assisted at the autopsy.) Some of the language seems to reflect the controversy over the handling of the "best evidence" in the JFK case.

For example, AFIP's responsibilities include "a complete medical investigation of death (forensic autopsy)," dispatching someone "to the scene of death to obtain information... and to accompany the remains," and assuming "custody and control of all [pertinent] medical records and biological substances." (What is "biological substances" likely to mean, other than removed organs such as the brain?) The FBI will "obtain release of remains to the AFIP from the custody of local authorities... by whatever legal means are deemed necessary and expedient," "obtain special mission aircraft when deemed necessary to expedite the medical investigation," "assign a Special Agent to attend the medical investigation of death to receive and retain custody of physical evidence obtained during the investigation," and take responsibility for the dissemination of the autopsy reports.

To my surprise, this agreement was prepared well before David Lifton's book was published. It was signed by FBI Director Clarence Kelley and AFIP director Elgin Coward in August 1976, the month before the HSCA was set up. Might it be significant that someone was making an issue of accompanying remains back to AFIP, and maintaining custody over all the physical evidence?

Finally, #7 is a cartoon by Edward Sorel from "The Nation." (6 Dec 86) It shows surgeons working nervously under the scrutiny of several menacing gentlemen in black suits and hats. The caption is "Friends say Frank Sinatra will require additional surgery. This time specialists from out of town will be on hand to insure success." Of course, I have captioned it "Bethesda Naval Hospital, November 22, 1963." The amended version provides a valuable synthesis of the Blakey and Lifton scenarios for an assassination conspiracy.

## <<A "NO-COMMENT" FROM REP. JOSEPH KENNEDY>>

Henry Hurt's op-ed piece urging young Joe Kennedy to make an issue of his uncle's assassination was noted in 8 EOC 2.2. I know of no formal response.

On September 15, 1986, Kennedy was interviewed briefly by Mark Sommer of radio station WBCN in Boston. When Sommer started to refer to the HSCA's conclusions, Kennedy asked, "Where are we going with this?" Sommer started to explain that "there are a lot of lingering doubts regarding the assassination," and Kennedy said "I'm not getting into that, the whole issue, at all." Sommer: "You have no comment at all?" Kennedy: "I certainly don't." Sommer described Kennedy as taken by surprise and agitated by the question.

It doesn't sound as if Kennedy will be much help on our kind of issues. He skipped a candidate's debate before the Coalition for Basic Human Needs at a church near Harvard, and said he "has had it with what he calls 'special-interest groups that hold these frigging forums.'" (#8, 11 Sep 86, 2 pp.) Kennedy was elected, of course.

The former Speaker of the House, Tip O'Neill, was close to the Kennedy family. The new Speaker, who is expected to get the JD review, is Jim Wright of Texas, who is mentioned in the Warren Report himself. His office was contacted by Marguerite Oswald in her 1960 effort to locate her son.

Speaking of Hurt, I have quite a few additional reviews of his book, which I will probably list eventually. The paperback edition will be out soon. (Catalog listing with blurbs: #9) A messy dispute between Hurt on the one hand, and Johann Rush and Gary Mack on the other, with which I assume you are familiar, has been featured in "Coverup!" I will pass up the opportunity to comment; the Eastardley story doesn't seem worth the trouble one way or the other. Unlike Mack and some others, I do not view it as central to the evaluation of Hurt's other chapters.

## <<GARRISON-RELATED ALLEGATIONS>>

Perhaps you are among the 2,800 subscribers Ted Gandolfo claims for his "Assassination U.S.A." newsletter. If so, you are familiar with the article entitled "Jim Garrison Completely Vindicated," in his issue of 29 Dec 86 (#10, 6 pp.). "Absolute proof that G. Robert Blakey... deliberately covered up Garrison's evidence of direct C.I.A. involvement in the J.F.K. assassination, on orders from his actual employers, the C.I.A. Conclusive evidence of these facts was uncovered by myself, personally, and has never been published anywhere before now, in this newsletter. I now have conclusive proof that this evidence of direct C.I.A. involvement in the crime was supplied by Jim Garrison to Clifford Fenton, who headed a 5-man investigative team for the Committee, and this conclusive, overwhelming evidence of direct C.I.A. involvement in the crime was then given, personally, to Blakey, who completely suppressed all of it from the citizens of this country, indeed, peoples of the whole world!"

Indeed, Gandolfo has proved something - that Blakey does not remember, after seven years, what is in the published HSCA volumes. Blakey stayed on the phone with Gandolfo longer than I would have, and told him that "just about everything he [Garrison] said was published. The substance of what he said was published, yes." In fact, very little of the work done by Counsel Sprague's people was published; perhaps some of the holdover members realized that some of it would embarrass them. Garrison's material is among the unpublished HSCA stuff I would like to see, but it is lower on the list than such things as the medical evidence.

In an accompanying nasty letter, signed "curiously yours," Gandolfo challenged me to "publish this bombastic info." (21 Dec 86, #11; Gandolfo's letters to Blakey [#12] and the CIA [#13] are also available.)

What, specifically, is the evidence that Blakey suppressed? Gandolfo says that Garrison provided Fenton with "conclusive, overwhelming evidence of direct C.I.A. involvement." In 1978, Garrison called Gandolfo and referred to the HSCA having "tape recorded meetings in which they are specifically discussing the assassination with Clay Shaw and David Ferrie present... Details... It's solid evidence on tape." (It is not really certain that these alleged tapes are of conspirators, rather than, say, tapes of Garrison talking to the HSCA.)

For all the specific evidence, we may have to wait for Garrison's allegedly forthcoming book. I have no recent information about its possible publication. There was an article by Garrison in "Freedom" for November 1986, but it is almost all rhetoric, and familiar rhetoric at that. The closest it comes to a factual description of the assassination is the assertion that "we need no longer pretend that there is any mystery left about the assassination... The President was murdered because he was genuinely seeking peace in a corrupt world." Oswald was an intelligence employee and a scapegoat. (#14, 4 pp.; #15, editorial by T. Whittle)

I have obtained an undated memo from Garrison to Jonathan Blackmer, an HSCA senior staff counsel. (#16, 5 pp.) I don't want to be accused of covering it up, so here are some highlights.

This seems to be genuine Garrison. In the first section ("Shaw in San Francisco on November 22, 1963"), Garrison notes a pre-assassination letter stating that Shaw is going to be in S.F. "from November 21 to 23," and comments, "Quite possibly, this is the first time since the introduction of the Gregorian calendar that a date has been described by its omission." The brief second section notes that Shaw was in Portland, Oregon, on November 25 - "interestingly enough," not at Trade Mart expense, so "it would not be unreasonable to conclude that... the additional trip up to Oregon... was treated as a non-Trade-Mart-related diversion chosen by him for some undisclosed reason."

The key section of the memo is "Crisman residency factors with regard to Oregon." There are a lot of quasi-juicy details, to which I could not do justice here. Garrison notes that Shaw's notebook contained a reference to Stillacoom, Washington, a suburb of Tacoma, where Fred Lee Crisman allegedly worked and may have lived. "[T]his note was written by Shaw shortly above his interesting reference to Lee Odum, P.O. Box 19106, Dallas..." By hand, Garrison noted that this was "the same P.O. number which Oswald has written in his own notebook." (It's probably "DD", not "PO"; see 16 WCH 58 and Counterplot, p. 29.) In conclusion, Garrison suggested that "you are likely to find that he [Crisman] was, through Shaw, either exerting a high degree of energizing influence on the New Orleans pre-assassination scene or, at the very least, monitoring it.... Shaw was ultimately caught - in spite of his professionalism and the careful detachment he maintained from the lower level activities of the extremist anti-Castro elements and the Banister office menagerie here - because of his own personal indiscretions and so, I suggest, will Crisman."

Garrison is rather candid about his methodology and the fundamental perception of the case which compels it: "In the final analysis, as I mentioned during our conversations here, the most effective progress to be made in perceiving a professionally clandestine operation - which is, of course, what you are dealing with - is initially by the successive application of models until one finds the model which fits. After that, the acquisition of forensic evidence will follow rather routinely. Such an approach is necessary, of course, because the clandestine structure, the covers of its participants and the indirectness of their pursuits are specifically designed to frustrate the conventional, traditional search (without an applicable model, a working hypothesis, in mind) for forensic evidence."

That sounds pretty sensible, and it need not be a recipe for paranoia provided one applies rigorous standards to the "routine" acquisition of evidence, and does repeated reality testing of one's underlying assumptions. What can be said of Garrison's belief that the assassination was "of course... a professionally clandestine operation" in light of his analysis of specific, manageable, and verifiable bits of evidence, such as the role of Dr. Rome? (8 EOC 2.7, #68)

#### <<ANOTHER BOOK>>

In June, Archon books is scheduled to publish "Disinformation, Misinformation, and the 'Conspiracy' to Kill JFK Exposed," by Armand Moss. According to the publisher's announcement (#17), this expensive book (about 200 pages, \$22.50) "catches the subtleties of Soviet propaganda in explaining how the KGB first played on European suspicions and prejudices to foster the 'conspiracy myth.' The WC's conclusions 'cannot be shaken, [but] the Commission itself helped to disseminate misinformation by portraying Oswald - a loner and a misfit suffering from low self-esteem - as a serious Marxist. The case still 'fascinates Americans... after more than twenty-five years,' but this 'definitive analysis will put [it] to rest..."

Does anyone know anything about this book? Is the author the same Armand Moss who has written two books, published in Paris, about the poet Baudelaire?

#### <<ON THE LEGAL FRONT>>

Another man who is unhappy with the critics is David Phillips.

18. Jan-Feb 87 (Phillips, Columbia Jour. Rev.) "The man nobody bothered to call" [2 pp.] Phillips complains about his treatment by Tony Summers; Don Freed, Fred Landis, and Dr. William Pepper; Gaeton Fonzi and "Washingtonian"; and Henry Hurt. Phillips admits he "asked for it" by his public activities as a founder of the AFIO, but concludes, "What excuse

can there be for journalism that hangs a man without allowing him to speak in his own defense?"

Phillips' complaint is about journalists; some people have bothered to call him under oath. He barely mentions his testimony in 1976 and 1979 - presumably, before the Church Committee and the HSCA respectively. At least one aspect of his testimony "aroused the [HSCA's] suspicion." (HSCAR 136n)

19. Mar-Apr 87 (CJR) Letters from Don Freed and his publisher, and a reply by Phillips. Some facts remain unclear; Freed says he called Phillips, who refused to discuss the Letelier case; Phillips is convinced he did not. The significance of the settlement, and of the judge's rulings, is disputed.

20. 18 Apr 86 (Pub. Wkly.) The retraction by Freed et al. mentioned in the previous item. Among other things, "Death in Washington" "contained a photograph of Mr. Phillips, captioned 'The Other Lee Harvey Oswald.'" The authors "had no intention of charging or suggesting that Mr. Phillips... had any connection with Lee Harvey Oswald." (Sure.)

21. May-June 1987 (CJR) Hurt states that his "research associate did telephone [Phillips] to discuss various aspects of my treatment of his complex case.... [W]e did consider all that he had to say. We then printed precisely what we intended to print, and we stand by it." In reply, Phillips says that the associate did not mention a connection with Hurt. (#22: Hurt's unedited letter, 7 Feb 87)

23. 1987 (Lobster, #13) A short letter from Phillips (18 Dec 86), offering to "consider the matter closed" upon the publication of a paragraph noting the disposition of two cases involving Summers' allegations. Phillips' willingness to abandon legal remedies is presumably based on Lobster's precarious financial situation. Lobster's latest major article (8 EOC 1.8) included a number of previously unpublished names and allegations, in support of the argument that Phillips deserves scrutiny independent of the Veciana-Bishop-Oswald story. Lobster's reports of British intelligence operations against Harold Wilson's Labour government in the 1970's have been widely noted, and I would have expected the international intelligence community to welcome any attempt by Phillips to complicate Lobster's work.

24. The statement by the London Observer (noted at 8 EOC 4.10) about Phillips' noninvolvement in the JFK assassination.

25. 20 Oct 86 (South China Morning Post) "No evidence on CIA claim" A brief note on the Observer settlement. I do not have copies of the articles actually published by the Post (based on information from the Observer). I understand that the Post is one of the major English-language newspapers in the Far East.

26. 10 Mar 86 (New Haven Advocate) "The CIA is not the Boy Scouts" [2 pp.] Interview of Phillips. "There are no secrets about the CIA and the Kennedy assassination that have not been brought to light. There's no reason in the world that in that suit [against Summers in England] I couldn't subpoena CIA officials and get them under oath to say what they knew about the Kennedy assassination."

#### <<ANNIVERSARY COVERAGE (1986 AND 1985)>>

27. 23 Nov 86 (LAT) "Memories From a Last Motorcade," by Jack Valenti [2 pp.] (#28: Miami Herald version, 2 pp.)

29. 23 Nov 86 (Miami Herald) "Family in famous photograph can still hear shots ring in Dallas" Comments by witness Bill Newman. "The city of Dallas and the county Democratic Party planned no services Saturday," having decided a few years ago to commemorate JFK's birth instead.

30. 28 Nov 86 (Fredericksburg, VA Free Lance - Star) Letter to the editor from buff Harry Nash, noting the apparent failure of the Justice Department to follow up on the HSCA report.

31. 23 Nov 86 (AP photo & UPI text, in MH) The annual photo of Edward Kennedy at JFK's grave. "The commemoration of Kennedy's assassination, which traumatized the nation, has in recent years become a sparse, private affair." (#32: SFX, same photo, with AP's text.)

33. 24 Nov 86 (SFC) "A Mark of Dallas Remembrance" The words "Big Bang" were written in the dust on a sixth-floor TSBD window.

The 22nd-anniversary coverage which reached me was so sparse that I got around to listing only one item, at 8 EOC 2.1. Here is a bit more.

34. 22 Nov 85 (Jack Anderson, in SFC) "It's only 22 years" since the assassination which "made fatalists of us all."

35. 22 Nov 85 (Herb Caen, SFC) A brief reference to "a tragedy that... sent the country into a tailspin from which it has never recovered."

36. 23 Nov 85 (AP in SFC) Sen. Kennedy at the cemetery.

37. Nov 85 (Lincoln Sun) "The Umbrella Man" Syndicated columnist W. A. Hamilton presents, as his "pet theory," the notion that conspirators who had not forgiven Joseph Kennedy for his pre-war politics used the symbol of appeasement as a signal to open fire.

#### <<JAMES ANGLETON GOES UNDER DEEP COVER>>

38. 12 May (NYT) "James Angleton, Counterintelligence Figure, Dies" An understated obituary by S. Engelberg. "Mr. Angleton was inclined to doubt Mr. Nosenko's insistence that... the KGB had no connection to the attack on the President." (#39: Front-page photo)

40. 12 May 87 (LAT) Angleton, ill since December, was 69 years old. "After leaving the CIA, the chain-smoking Angleton refused to discuss any of his specific activities with the agency.... Richard Helms... said, 'James Angleton was to American counterespionage what Thomas Edison was to the development of electricity.'"

#### <<THE HISTORICAL PERSPECTIVE>>

In addition to Trafficante and Angleton, a number of figures in the case have died in recent years, including limousine driver William Greer (#41, WP, 28 Feb 85) and Judge Sarah Hughes (#42, AP & UPI, 25 Apr 85).

If this issue of EOC has almost convinced you that the JFK case is fast becoming myth and ancient history, these items might finish the job:

43. 19 Mar 87 (SFC) "Kennedy Items Still Private" With the 25th anniversary... approaching, there has been talk of displaying assassination artifacts at the National Archives.

According to Marion Johnson, such material as the bullets and JFK's clothing are "likely to remain private. There's an unspoken consensus in attitude that prevails," he said, although the Kennedys have never requested that the items be withheld from public viewing."

44. 18 Mar (NYT) This account of Johnson's comments adds that "some think the election... of Joseph P. Kennedy 2d to Congress has made any shift in National Archives policy less likely to occur anytime soon. John F. Kennedy would have turned 70 years old this May."

45. 15 Feb 87 (Boston Globe) In a list of "101 things every college graduate should know about American history," the assassination is #26. Oswald shot JFK, but his responsibility cannot "be settled beyond question."

46. 8 Feb 87 (Pt. Lauderdale News, in SFC) "A Place to Relive Our Tragedies" "Today, you can see the lone gunman theory played out in the front window of Leon (Buddy) Hough's Tragedy in U.S. History Museum in St. Augustine." There is Buell Wesley Frazier's car, Oswald's comb, and the furnishings from the room he rented from Mary Bledsoe. "Oswald's photo of himself hangs on the wall." (What photo?)

47. 4 Jan 87 (Mandel, SFX) "JFK's legend continues to crumble" A British paper alleged that "Ich bin ein Berliner" means "I am a doughnut," not "I am a Berliner," and that "ein" should have been omitted. (But I have it on good authority that either form is correct.)

48. 14 Mar 87 (Boyd, SFC) The first president to say "Ask not what you can do for your country, but..." was allegedly not JFK, but Harding.

49. 11 Dec 85 (SFC) A letter to the editor, complaining that the December 7 paper didn't mention Pearl Harbor. We'll be writing letters like that in a few years.

#### <<THE LWT-SHOWTIME TRIAL OF OSWALD>>

I have no solid news about the possible broadcast of the additional testimony taken in London. I don't think a definite date has been set.

After completing the review in 8 EOC 4, I was reminded that Vincent Bugliosi played a significant role in the events described in "The Assassination of RFK," the 1978 book by William Turner and Joan Christian. He was brought in at the last minute to defend TV station KCOOP against charges that it had libeled Rev. Jerry Owen. Bugliosi unsuccessfully offered a defense based on the possibility of a conspiracy in the RFK assassination.

50. 21 Nov 86 (Boston Herald) "I'll prove Oswald guilty, TV prosecutor vows" A short article by Bugliosi. "Based on the Himalayan mountain of uncovered [sic; uncontroverted] evidence against him, anyone who would believe he [Oswald] was innocent would believe someone who told them they had heard a cow speaking Spanish.... Though there are some notable exceptions, for the most part the persistent rantings of the Warren Commission critics, most [sic] remind me of dogs barking idiotically through endless nights." Nasty stuff. One wonders which critics particularly offended Bugliosi. Gandolfo has described (in #10) one of his three phone calls to Bugliosi (about TSBID witness Victoria Adams). Can Bugliosi consider Spence a typical critic?

51. 20 Nov 86 (Carman, SFC) "Putting Oswald on Trial at Last" The confrontation between the lawyers "is often tony and consistently enthralling."

52. 21 Nov 86 (MH) "Oswald TV 'Trial' has the ring of reality" [2 pp.] At normal rates, Bugliosi's time would have cost \$300,000, but the lawyers received only nominal fees.

53. 24 Nov (London Guardian) "Guilty at last" "The compulsive charm of the trial was the American-ness of it."

54. 24 Nov (London Daily Telegraph) "The verdict on [LHO]" The jury's guilty verdict was a shock to the reviewer, because of Spence's "eloquence" and "marvelous closing speech."

55. 24 Nov (Independent [England]) "A lone viewer theory" "... there remained a residual doubt in my mind whether so recent, so tragic and so important an event should have been played quite so whole-heartedly for entertainment."

56. 1 Dec (Time) A positive review. "I defy anyone who is familiar with the Kennedy assassination," says Bugliosi, "to look at the 18 hours of tape... and say that the gut issues of the case were not addressed or were treated cosmetically."

#### <<USING COMPUTERS>>

8 EOC 3.3 referred to a computerized version of Jeff Meek's collection of indexes of JFK material (mostly, but not exclusively, published books). Thanks to Daniel Brandt, Bud Fensterwald, and AARC, I now have a copy of this "Meek Index," including Brandt's search program, on five floppies, suitable for use on an IBM-compatible PC with a hard disk. I can make copies for about \$5 plus postage. If there is much demand for a version to run on machines without hard disks, it might be possible to get one written. I will probably not get a printout of the index, because it will periodically be expanded.

For Brandt's views of the value of computerized databases to progressive causes, see "Technology For Individuals Here At Last." (#57, from "Our Right to Know," F84-W85, 2 pp.) He argues against the application of privacy laws to public-domain information.

Contragate may become the first computerized scandal - to be precise, the first in which buffs have access to the kind of indexing and database-building power which only the government need to have. (The Warren Report would have lost credibility even faster if a proper index to the 26 volumes had been available within weeks. On the other hand, the Commission might have done a better job if the staff had better indexes to their own files.) I have not tried to keep up with Contragate, but it is obvious that an immense amount of information has been published, and that there are probably connections and correlations worth making which are not going to be made by the mainstream press or by the Congressional investigations. Floppy disks should be flying back and forth by now. I hear that someone has indexed the Tower Commission report, and I hope that chronologies are being put together and distributed. If you are interested in joining any buff networks which are forming, I suggest contacting Brandt.

#### <<CONTRAGATE>>

A good source of data and interpretation will be "The Iran-Contra Connection: Secret Teams and Covert Operations in the Reagan Era," by parapologists experts Peter Dale Scott, Jonathan Marshall (now editorial page editor of the Oakland Tribune) and Jane Hunter (editor of the newsletter "Israeli Foreign Affairs"). It will be published by South End Press, hopefully

in June or July. According to a survey of potential Contragate books in the Washington Post, it will probably be the first post-Tower-Report book to appear, and "is likely to be an exercise in pure context." (23 Mar 87; #58 [partial]) For a preview, see:

59. 31 Jan 87 (Scott, Nation) "Our 'Disposal Problem': The Secret Team behind Contragate" [4 pp.]

A series of articles by Scott for Pacific News Service, as printed in the Daily Cal, starting the week Hasenfus was shot down:

60. "CIA denial of involvement in Nicaragua echoes past"

61. 14 Oct 86 [2 pp.] "Have we discovered Contra-gate?"

62. 1 Dec [2 pp.] "Iran-Contra deal connected to CIA web of influence"

63. 12 Jan 87 [2 pp.] "Contragate: A CIA web of intrigue; Does Congress have the will to bare CIA terror network?"

64. 4 Feb [2 pp.] "Iran-Contra network recalls CIA abuses"

65. 18 Feb "CIA network supports war, defies the law"

66. 18 Feb "CIA's old networks may aid Contras"

67. 11-14 Nov (Oakland Tribune) A series of editorials: "Disposal problems," "The terrorist blowback," "An army of emulgators," "A region under fire" [7 pp.]

68. 6 Mar (Daily Cal) Report of a forum with the three authors.

Is there likely to be any connection between Contraquidick and the JFK case? (Rep. Louis Stokes of the HSCA is on the Joint Select Committee, by the way.) If you recognize the secret war against Cuba and "the whole Bay of Pigs thing" as part of the JFK-case controversy, you might see some familiar names. Ted Shackley is believed to be the JM-WAVE Station Chief whose testimony to the Church Committee was cited in the Schweiker-Hart Report, for example. An article in "Business Week," of all places, alleged that Rafael "Chi Chi" Quintero "played a key role in the Bay of Pigs invasion and in subsequent efforts to assassinate Fidel Castro." (#69, 29 Dec 86)

This "Business Week" article also mentioned an allegation that North was a member of a Special Operations Group in Laos which engaged in political assassinations. An article by Jerry Meldon noted that some men named in recent accounts can be linked to the Cubans in the Letelier murder case. (#70, 22 Feb, Boston Globe, 2 pp.) Less seriously, "Trying Times" (Virginia City, Nevada) has wondered in print if North is really Oswald, and Poindexter "an aging Jack Ruby." (Jan 87, #71)

William Safire has given us his "rules of fairness-in-scandal-mongering" (#72, 24 Feb, in SFC), including "Do not fail to re-examine old, aborted stories in the light of new evidence." Although I am much more skeptical of conspiracy theories now than when I heard Mark Lane in 1964, I'll take that as encouragement to mention the following:

#### <<A LITTLE MORE ABOUT KAL 007>>

There was one reference to Iran in R. W. Johnson's book, "Shootdown." [See 8 EOC 3.8.] He cited a Boston Globe article by Fred Kaplan, which noted, without any special emphasis, that "In the past year, KAL, along with two other Korean companies, bought 60 US Hawk anti-air missiles and related spare parts, and then - against State Department regulations forbidding 'third-party transfers' - sold them to Iran." (19 Sep 83, #73) According to the London Daily Mirror, Rep. Feighan raised public questions about KAL arms purchases after the Contragate story broke. (29 Jan 87, #74) Johnson, by the way, found Harsh's book a "disappointment." [23 Oct 86, London Review of Books, 4 pp., #75]

#### <<QUERIES>>

A recent discussion of the psycholinguistic aspects of the tapes of Oswald in New Orleans revived my interest in Oswald's radio adversary Ed Butler. Butler's INCA (the Information Council of the Americas) sounds as spooky as it ever did. Now that we know about MK-ULTRA, the 1967 description (by right-wing columnist Henry J. Taylor) of INCA's Dr. Alton Ochaner as a "consultant to the surgeon general of the U. S. Air Force on the medical side of subversive matters" has a certain resonance; I suppose it refers to brainwashing. (#76, Human Events, 7 Jan 67, 2 pp.)

If time permits, I would like to review and rethink what I know about Oswald and INCA; for the moment, I would like to hear from people who share my interest, especially if they have relevant but not generally known information about Butler's activities, in the 1960s or recently.

With regard to Q81 (8 EOC 4.10), about LSUNO: In addition to the HSCA claim that Banister ran background investigations on Cuban students there for the CRC, Michael Kurtz's book alleges, based on "confidential interviews," that Oswald and Banister twice visited LSUNO and "engaged students in heated discussions of federal racial policies." (Excerpts: #77)

Q82. Someone would like to know about the weight and disposition of various bullet fragments, including those used by the FBI for analysis. (As far as I know, little or none of that information exists.)

#### <<SUBSCRIPTION INFORMATION>>

There were four 10-page issues of EOC last year. The minimum rate for a paid subscription is \$0.05 per page plus postage, or \$2.88 for 1986 in the U.S. and Canada. For postage to Europe, add \$0.48 per issue; to Australia, \$0.60. Payment must be in U.S. funds; please make any checks payable to me, not to EOC. No subscriptions expire without notice. This issue (and much correspondence) has been delayed by new supervisory duties in my programming job at U.C. Berkeley, and by my acquisition of the Zenith Z-159 PC system on which this issue was printed.

<<Credits>> Thanks to D. Brandt (#57), B. Cutler (74), M. Ewing (18), T. Gandolfo (10-13), J. Goldberg (56), J. Goodenough (53-55, 75), L. Haspanen (17-18), L. Harris (41), G. Hollingsworth (27, 69), H. Hurt (9, 18, 22), P. Melanson (70), D. Meredith (45), J. Mierzejewski (42), H. Nash (30), L. Picker (26), R. Ranftel (5-6, 15, 19-21, 38-40, 44), M. Reynolds (26), T. Rubinstein (67), B. Rudgard (55), P. Scott (58, 71), C. Silvey (37), M. Sommer, T. Summers (24-25), E. Tatro (50, 73), and G. Winslow (28-29, 31, 52).

# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 9, Issue 2, October 16, 1987

## <<VINCENT BUGLIOSI'S CONTINUING INTEREST IN THE ASSASSINATION>>

Bugliosi is working on a book, in which he plans to evaluate the most important issues in the JFK case. I have talked with him and provided some information from my files, and I expect to consult with him again in the future. He told me that he is presently convinced of Oswald's guilt, but capable of having his mind changed by new evidence. I hope to persuade him that many critics have not spent most of their time engaged in the equivalent of talking Spanish to cows (9 EOC 1.8), and that the persistence of the case as an open question is not due primarily to the manipulative skills of certain critics or the gullibility of the American public, but to the existence of serious evidentiary questions which the Warren Commission and its defenders have not been able to answer.

As far as I can tell, the promised broadcast of the rest of the LWT trial (where Bugliosi prosecuted Oswald) is not at all imminent.

## <<BACKGROUND ON THE ABSENCE OF NEWS FROM THE JUSTICE DEPARTMENT>>

In contrast to its delay in the JFK case, the Justice Department had no trouble declaring the Martin Luther King case closed in 1979, within months of the HSCA report. HSCA-related documents continue to be released, largely as a result of the efforts of Harold Weisberg, Jim Lesar, and Mark Allen; some of the paperwork on the King case is now available.

In a memo dated September 26, 1979, an attorney in the Criminal Section summarized the HSCA's recommendations and suggestions, noting that the HSCA "did not suggest any specific followup investigation in regard to the King assassination." (#1987.78, 4 pp.) On October 2, the Chief of the Criminal Section sent Assistant AG Drew Days a proposed memo to Robert Keuch, then Special Counsel to the AG. (#79) Days' memo, dated October 10, said that the HSCA report "suggested no new avenues for additional investigation and our analysis of the <<Report>> reveals no feasible areas for such a probe. Accordingly, the House Judiciary Committee should be informed that no further official investigation is warranted in the King case." (#80)

On the JFK case, an old Justice Department letter to Rep. Bill Green has been reproduced in Ted Gandolfo's book (see p. 4 below). This letter, dated January 3, 1983, and sent over Assistant AG Lowell Jensen's signature, is generally similar to a 1984 letter to Rep. Stenholm (see 6 EOC 4.1); it reports an "intention to make a full report to the Speaker... early next [sic; "this" intended?] year." This letter was prompted by Gandolfo's claim of CIA involvement; Jensen noted that the HSCA had exculpated the CIA and stated that "the Department has not expanded its current investigation to encompass theories found to be without merit by the HSCA," and would not do so in the absence of new evidence or additional Congressional requests. In addition to HSCA and acoustical material, the JD "is now reviewing... FBI reports."

This letter is unusual in its discussion of the acoustical evidence, said to be "the basis" of the HSCA's conspiracy theory. The NAS (Ramsey Panel) report "was critical of aspects of both the HSCA and FBI studies which preceded it.... The [NAS] has advised the department that neither group of experts [i.e., HSCA and FBI] provided any contradictory explanation for the findings of the [NAS]. Since the May, 1982, publication of the report, neither the FBI nor HSCA experts have contacted the Criminal Division... with any alternative explanation for the findings of the [NAS]." (#81, 2 pp.)

The following month, Jensen wrote FBI Director Webster, asking for details of the negotiations relating to the Bronson film. Bronson's attorney allegedly insisted on conditions which the FBI lab felt would preclude a proper examination, so Keuch declined the attorney's offer of access.

Jensen told Webster that the Criminal Division "is currently preparing a report" for the House. "It is envisioned that the Attorney General will report to the House...

that all reasonable investigative efforts have been taken" in both the JFK and MLK cases and "will probably recommend that no further action be initiated... absent the emergence of new relevant evidence or information." (#82, 15 Feb 83, 2 pp.)

Soliciting Webster's views, Jensen said that "in particular" he was "interested in whether there are any investigative areas in either matter which you feel have not yet been adequately explored." I am left wondering if the FBI might in fact have come up with something for the Justice Department to pursue.

A couple of relevant personnel matters: Stephen Trott has been nominated to the Court of Appeals in San Francisco, as predicted in May. (#83: AP in SFC, 8 Aug 87; #84: SFC, 1 May 87; see also 9 EOC 1.1.) Trott was involved with the recent upsurge in espionage prosecutions. (#85, SFX, 30 Aug 87, with photo, 2 pp.)

John F. Kennedy Jr. had a job as a law clerk this summer in the Civil Rights Division, under William Reynolds. (He was a first-year law student at NYU, and was hired despite his uncle's opposition in 1985 to Reynolds' promotion.) (#86, 19 Jun 87, AP) I don't suppose JFK Jr. was inclined to wander down the hall to see how the assassination investigation was going. (For the opinions on the case of some members of the extended Kennedy family, see the discussion of Tip O'Neill's book below.)

## <<BUD FENSTERWALD TAKES ON THE JUSTICE DEPARTMENT, ONE MORE TIME>>

Fensterwald and his associates have had quite a few clients over the years with whom you would not like to be stranded on a desert island. Lyndon LaRouche has joined this list. LaRouche has been charged with credit-card fraud and obstruction of justice. A motion by Fensterwald's partner, Dan Alcom, "offered a farrago of secret prosecutorial motives," asserting that "LaRouche had become so politically powerful that the government decided he is 'a threat.'" ("LaRouche Filings: Plots, Spies; Judges Tomorrow to Sift Myriad Motions Filed by Corps of Lawyers", WP, 17 May 87, 2 pp., #87)

The headline of a handout from "The LaRouche Democratic Campaign" offers to explain "Why the Soviet-Linked Criminal Division Head [William Weld] of the Reagan-Meese Department of Justice Continues Police-State Actions Against My Friends." (#88, 4 pp.) In the past, LaRouche's publications have noted the supposed role of Clay Shaw and Permindex in the JFK assassination. Fortunately, LaRouche seems to have moved on to bigger and better conspiracies.

Another new client of Fensterwald's firm is Ed Wilson. Like many of Fensterwald's clients, he may have gotten worse treatment from the government than even he deserves. Pressing his case may lead to the exposure of important new information, about the Iran-Contra affair and other matters.

## <<TIP O'NEILL ON KENNY O'DONNELL'S TESTIMONY>>

Some attention has been given to a reference to the assassination in O'Neill's new book, "Man of the House." O'Neill admits to doubts about the Warren Commission's conclusions, attributing them to a 1968 conversation with Kenny O'Donnell. Under the headline "Assassination Shocker: 2nd-assassin theory raised by JFK aide," the Boston Herald quoted the relevant excerpts. (#89, 19 Jul 87. The O'Donnell story was mentioned briefly in reports on the book by AP [#90, 25 Aug] and in USA Today. [#91, 20 Jul])

O'Neill "was surprised to hear O'Donnell say that he was sure he had heard two shots that came from behind the fence' on the... knoll." When O'Neill reminded O'Donnell that he had not told that to the Warren Commission, O'Donnell allegedly said that "I told the FBI what I had heard, but they said it couldn't have happened that way and that I must have been imagining things. So I testified the way they wanted me to. I just didn't want to stir up any more pain and trouble for the [Kennedy] family.... The family... everybody wanted this thing behind them." According to O'Neill, Dave Powers had the same recollection of the shots, and stands by his story; O'Donnell has died.

O'Neill says he "used to think that the only people who doubted the conclusions of the Warren Commission were crackpots," but "there will always be some skepticism in my mind." The book, which I have seen but not read, apparently has no other reference to the assassination controversy; there seems to be no mention of the HSCA, much less the failure of the Justice Department to react and report to O'Neill.

Blakey found the O'Donnell story "interesting," and O'Neill's account "a small footnote in history." ("Seeking the 2nd gunman: Experts back JFK aide's tale"; Boston Herald, 20 Jul, 2 pp. with photos, #92.) The other expert quoted was Michael Kurtz, who noted that there were other reported instances of FBI pressure on witnesses.

Dave Powers told the Herald that "he didn't want to dredge up the 'painful' memory of the assassination," and that "we'll never know for sure what happened." (#93, 21 Jul; Ted and Joe Kennedy had little to say about the book, which is not flattering to all the Kennedys.)

Larry Haapanen and Donna Davis pointed out to me that the O'Donnell story surfaced in other forms in 1975 and 1977. Bob Wiedrich of the Chicago Tribune reported that O'Donnell and Powers were persuaded not to disclose their suspicions by either Hoover or his top aides, according to an oral briefing of Congressional leaders "by a [CIA] liaison man in advance of twin Capitol Hill investigations of CIA activity." (Seattle Times version: #94, 6/14/75) The FBI reportedly warned the two men that testimony about a knoll shot "could lead to a possible international incident, and inflame public passions fed by other secret information then known by the FBI."

This is a puzzling story. It seems implausible that, even in 1975, the CIA would be complaining so bluntly about the FBI investigation to members of Congress. Can anyone tell us who the CIA liaison man might have been? The alleged briefing apparently also referred to Oswald's visit to the embassies in Mexico City, and the CIA-Mafia plots against Castro.

O'Donnell flatly denied the story in 1975, calling it "an absolute, outright lie." Powers admitted to a "fleeting impression" of a shot from the front, which is what he told the WC. (7 WCH 473) The published HSCA material did not deal with O'Donnell as an eyewitness. He told the WC that "my reaction in part is reconstruction - is that they came from the right rear." (7 WCH 468). (Speaking of witnesses, the present Speaker, Jim Wright, was scheduled to ride in the motorcade, along with other Texas Congressmen who also were not questioned by the Commission; 17 WCH 615.)

In 1977, O'Neill said he believed that some witnesses did not give a "full and honest description" to the WC but "were reporting the will of the FBI." (#95, 5 Apr 77, AP in SFC). Neither O'Neill nor the AP's "source close to him" gave O'Donnell's name. The context was a question about whether there was evidence to justify the HSCA investigation, which had been approved the previous week.

Before accepting anyone's interpretation of what the FBI apparently did, I would like to see the Bureau's side of the story. Would any EOC reader like to search the released FBI files, or submit a FOIA request? If top FBI people met with O'Donnell, perhaps around the time of his WC testimony, I would expect that memos exist. Even self-serving ones might be informative.

Would the FBI seek someone like O'Donnell out, and urge him to testify falsely on this point? After all, there were lots of witnesses who did report hearing shots from various directions, and the WC did not have much trouble concluding that they were not credible. A claim that the FBI asked him to keep quiet about what he knew of the autopsy, or of allegations of Teamster involvement (HSCAR 177), would be more plausible and more interesting.

However, what if O'Donnell himself had been asking people about the possible significance of what he heard or suspected? Then the FBI could have innocently convinced him that his ear-witness testimony did not carry much weight against the hard evidence they had, and that there was not much point in making a fuss. He might have been more receptive to encouragement to hold his tongue than the Wiedrich and O'Neill accounts suggest.

That is, the significant pressure may have come from his perception of the concerns of the family. So, even though O'Donnell's impressions about the shots

were of little evidentiary value even in 1964, his behavior may indeed say something interesting about the attitude of the extended Kennedy family.

<<JIM GARRISON, TWENTY YEARS LATER>>

In 1967, Jim Garrison established himself as the most prominent critic of the Warren Report. Before the Shaw trial, many of us started waiting for him to deliver on his promises; some of us are still waiting. His latest book is, as far as I know, a completed manuscript without a publisher.

Big Jim did have something to say in response to a letter to him in which I essentially repeated some of the comments in 8 EOC 1.9-10 and 8 EOC 2.5-6. (#96, 8 Jul 86) He did not reply to me, but sent a letter to Ted Gandolfo. (#97, 8 Aug 86, taken from Gandolfo's book.)

The "nature of Mr. Hoch's assault points out a problem which should concern every assassination critic.... Mr. Hoch has a finely tuned aggression and is wonderfully ferocious.... The unfortunate thing about the position which Mr. Hoch has taken - attacking a critic who for 17 [sic, not 197] years has been attempting to point out the culpability of the C.I.A. in the assassination - is that some people who do not know any better might draw the conclusion that his sympathies are really with the Agency." It's nice of Judge Garrison to be so concerned about my reputation.

With regard to my questions about Garrison's alleged pre-arrest evidence against Shaw, which Garrison characterized as "criticizing judgments made by me when I was District Attorney of New Orleans back in the 1960's," needless to say I did not get any new facts, or even a recitation of some old ones. "I was not aware that Mr. Hoch has had any experience in criminal prosecutions; it has been my policy not to reply to gratuitous critiques of my former office when made by individuals with neither the standing nor the professional experience to make such criticisms." Well, he's certainly got me there. "Because this is 1986 and the forces which killed John Kennedy still remain firmly in control, I personally cannot get too excited about such remote problems as, for example, the pedantic question of how many angels could dance on the head of a pin a number of years ago."

You can get a glimpse of Garrison in a new film, "The Big Easy." (The title refers to New Orleans.) "The supporting cast oozes Louisiana strangeness.... Judge Jim Garrison plays a judge, 'the Honorable James Garrison.'" (In a small cameo role, I am told.) In Garrison's fictitious world, the Mafia is a major presence. "Sexy, but implausible," said the SFC critic, accurately enough - but he was referring to the movie as whole. (#98, 28 Aug 87, SFC, 2 pp.)

<<CURSES! EXPOSED AGAIN!>>

Gandolfo has written to me in response to 9 EOC 1, pointing out a number of flaws in my analysis. For one thing, he claims 2700 subscribers for his newsletter, not 2800. Also, I am a "deceiving, lying CIA employed son-of-a-bitch." There is more, but the CIA doesn't want me to print all of Gandolfo's letter, so I will just send a free copy to anyone who asks. (#99, 2 pp.)

<<TED GANDOLFO'S BOOK ON THE HSCA>>

Gandolfo has self-published a treatise entitled "The House Select Committee on Assassinations Coverup." It is available for \$25.25, including postage and handling, from the author at 1214 First Ave., NYC, NY 10021.

Of the 300 pages, about half are documents, such as Congressional Record excerpts, a hundred-page Rules Committee transcript (31 Mar 76), and the like - not without value. About half the rest includes material from other buffs and investigators, notably Richard E. (Critic) Sprague, Garrison, Cyril Wecht, Mark Lane, and (via correspondence and phone calls) the HSCA. This material was of considerable interest to me, primarily because it confirms how a few of the critics have transcended mere logical and critical analysis. The rest of the book - roughly 75 pages - is by Gandolfo himself, full of passionate intensity.

The case made against Blakey by Gandolfo - and to a lesser degree by others - rests, to a considerable extent, on a very positive view of the work of the HSCA under Richard A. (Counsel) Sprague. I don't want to put more effort into a public defense of Blakey than he has himself, especially since the things the HSCA under Blakey failed to do.



# Echoes Of Conspiracy

By Paul L. Hoch  
Volume 9, Issue 3, December 31, 1987

## <<LOOKING AHEAD TO THE 25TH ANNIVERSARY>>

Producer Nigel Turner and Sheila Kogan, representing British-based Central ITV, have already talked with many critics around the country. They appear to have the resources and the desire to pursue various good leads.

There is also some interest at PBS. Scott Malone told me that a proposal is in for programs both on "Frontline" (for whom Malone, a buff, has previously worked) and on the science series "Nova."

Prospects for the commercial U.S. networks are not so good. According to Liz Smith, the Kennedy family (particularly Jackie) squelched a proposed ABC "documentary salute" planned for next fall. (#1987.137, 21 & 25 Dec 87) This was to be "a glorious look at our recent history"; coverage of the assassinations is not likely to be more popular with the family.

I have not yet heard of any major print-media projects.

PBS will air a history of television starting in January 1988; I was told that coverage of the assassination will get considerable attention.

## <<AGENDA ITEMS FOR OUR FRIENDS IN THE PRESS IN 1988>>

This may be the buffs' last chance to get some investigative resources, official or unofficial, put on the case. We should try to help reporters go after our favorite topics. I would be glad to assist people who would like EOC to serve as a distribution point.

Reporters have asked several times for my opinions about areas where some effort could result in major progress on the case and a good story. I have a short list of key areas where I have some information or ideas which are not widely shared. It includes the following topics:

- \* The autopsy, and David Lifton's analysis in "Best Evidence"
- \* The FPCC and Oswald (in the context of COINTELPRO-type operations, and from the perspective of people then active in the FPCC)
- \* The FBI coverage of Oswald in New Orleans, in particular the work of SA Warren DeBruys
- \* Army Intelligence (as set out in my Third Decade article [see 7 EOC 3.9], including the suppression of a file from the Warren Commission, its later destruction, and the HSCA testimony of Col. Robert Jones)

I am not much interested in debating what this personal short list does and does not include (the acoustics or the Mafia, for example). I also have some special interest in issues which are less likely to be central to the assassination, but which might turn into strong stories. For example,

- \* The DPD's lack of prior knowledge of Oswald; the LEIU
- \* The views of Marina Oswald and the Oswald children
- \* The stories of ATF agent Frank Ellsworth and John Thomas Mason
- \* The disposition of the "hot leads" unpublished by the HSCA but, according to just one published report, provided to the Justice Department
- \* RFK's reaction (especially the Haynes Johnson stories involving Enrique Ruiz Williams; 6 EOC 1.6)
- \* Ed Butler of INCA, and his colleagues (9 EOC 1.10)
- \* Antonio de Varona's roles in the secret war against Castro
- \* Corner Clarke, Nina Gadd, "Solo," Oswald's visit to the Cuban Embassy, and Castro's analysis of it
- \* Oswald's interest in Albert Schweitzer College
- \* The Dodd Committee investigations of mail-order gun sales, and of the FPCC (as discussed in Henry Hunt's book)
- \* The Garrison investigation (and the counter-attack, from the perspective of someone who takes seriously the evidence of a conspiracy involving Oswald's New Orleans activities)

I know that other buffs are particularly interested in, or actively working on, various issues. (I would refer reporters to them if they showed any interest in those topics. I do not feel at liberty to list the names in EOC at present.) In no particular order, here are some of those topics:

- \* The FBI and CIA material given to the HSCA. (Maybe we can at least get someone to index and summarize what has been released.)
- \* Carlos Marcello; the FBI investigation of Mafia allegations
- \* Antonio Veciana's story; Alpha 66; (Alpha 66 founder Eloy Gutierrez Menoyo has been released by Castro after 22 years and might provide an interesting interview; #138, NYT 18 Oct 87, 6 pp.)
- \* Oswald in Mexico; the CIA photos of the mystery man at the Embassy
- \* The Somoza connection (see Scott van Wynsberghe's interesting 13-page compilation in The Third Decade for July 1987)
- \* The Tippit case, especially the DPD investigation

- \* The authenticity of the DPD Dictabelts
- \* Paulino Sierra and his connections (8 EOC 2.7)
- \* JFK's Cuban policies
- \* DeMohrenschildt's Haitian and intelligence connections
- \* The political context of Oswald's New Orleans activities
- \* The legendary James J. Angleton and his friends; Michael Eddowes
- \* A re-examination of Oswald's possessions at the Archives
- \* Oswald's military records

I would like EOC readers to send me short position papers on any of these topics, or others, which they would recommend to reporters who are looking for 25th-anniversary angles. Keep in mind the kind of story which will interest the press. Include your address and phone number, if you are willing to be contacted, and references to published material. Unless anonymity is specifically requested, I will list and summarize the submitted information in EOC, and make it available to anyone who wants it.

## <<PLANS FOR THE PUBLICATION OF GARRISON'S BOOK>>

The Institute for Media Analysis has announced that it "is acquiring the rights to a major study of the role of the media in shaping the public perception of the investigation of the assassination," by Jim Garrison, who "conducted the only criminal investigation of the assassination." His "study is particularly revealing with respect to the way the press and broadcasting industry worked with powerful interests in and outside of government to trivialize critical views of the official version...."

"The Institute will co-publish the book with an established publisher to maximize distribution. Publication is planned to coincide with the twenty-fifth anniversary...." (For the two key pages of a recent IMA pamphlet, ask for #139; all five pages are #140.)

I assume that Garrison has only one book in the works, referred to variously as "Coup d'Etat" and "A Farewell to Justice," and that the IMA has focused on the book's relevance to its stated media-related goals.

The Institute is based in New York; I do not have its address. The directors include Ellen Ray and William Schasp, formerly of the Covert Action Information Bulletin.

I wonder how much Alexander Cockburn, who is on the IMA board of advisors, knows about Garrison's forthcoming book. He recently spoke in Berkeley, and mentioned Daniel Sheehan's Christie Institute - trying to be positive but adding that some of their work "verged on assassiology, if you know what I mean." (That may be a paraphrase.) The audience laughed, and he said, "I guess you do know what I mean." An odd bedfellow for Garrison.

## <<A TANTALIZING SAMPLE FROM GARRISON'S MANUSCRIPT>>

A substantial excerpt from Garrison's book was published in the April-May 1987 issue of "Freedom." (#141, 11 pages; an earlier excerpt was mentioned at 9 EOC 1.4.) This material, under the title "The Murder Talents of the CIA," looks like it could be from one of the concluding chapters.

Not much of the content is explicitly about the JFK case. Garrison reviews some of the CIA's most notorious covert operations, establishing that the Agency developed the capability to perform assassinations. The conspiracy "was expertly organized, employing a variety of clandestine supervising teams, from the control of Russian émigrés in Dallas to the anti-Castro adventurers in New Orleans...." Garrison infers that JFK was struck by a frangible bullet - one of the CIA's typical "toys" for special operations. He finds it worth a footnote that Charles Cabell of the CIA "happened to be the brother" of the mayor of Dallas; the relevance is not explained. (Pp. 16, 25, 27)

Garrison emphasizes the CIA's use of "false sponsors" - "a term used in intelligence, normally associated with an assassination operation, which describes the individual or organization to be publicly blamed after the murder...." In this case, "Oswald, of course, was the original false sponsor," followed by various others from "the government's propaganda mill... In recent years, the emphasis has dwindled to one or the other of two remaining false sponsors: organized crime and Fidel Castro." (Pp. 14-15)

Properly, this article marshals many of the arguments against putting Fidel on the grassy knoll - a hypothesis which certainly has been entangled, over the years, with various disinformation efforts generated by people with their own agendas. The case against Castro is not quite as absurd as Garrison makes it sound. Sure, it didn't make sense for Castro to want to kill Kennedy, but if making sense is the only criterion, how can we explain the plots to kill Castro? Nonetheless, Garrison's argument about Oswald's "flamboyant" FPCC activities remains compelling.

The alleged "180-degree reversal of John Kennedy's foreign policy immediately following his death" is important to Garrison's thesis, and his account has no room for such complexities of the historical record as the role of the Kennedys in Operation Mongoose. For Garrison, it was simply events like Kennedy's failure to back fully the CIA's attempted invasion of Cuba which made the CIA unhappy. (Pp. 14, 16)

Garrison himself finds it useful to talk about the Castro hypothesis, with a transparent rhetorical touch: "In order to appreciate the cosmic irrelevance of these red herrings disseminated by the government-sponsored literature, consider, for example, just one of those receiving particular emphasis in recent years as the designated villain: Fidel Castro." A good choice; his article can thus say little about organized crime and dismiss it as just the government's other candidate. (P. 16)

Garrison has made it clear in his correspondence that anyone who even raises the possibility of Mafia involvement is a CIA tool. (8 EOC 1.9) This article includes a few noteworthy remarks about the hypothesis of Mafia involvement and those who advocate it.

"As for the insane projection of organized crime as 'Kennedy's assassin,' it is fair to say that organized crime - in contrast to the clandestine apparatus of a modern intelligence agency - is more disorganized than organized. It is one thing to step into a New York restaurant and gun down one of the diners. It is quite another to accomplish the long-range preliminary nurturing of a scapegoat, thereafter break through the defensive net protecting the president and then follow this up by having the government help to cover it up for you." (P. 15)

Garrison has a point - like Castro, the Mafia didn't determine what happened at the Bethesda autopsy - but one of the possible models he should have considered is that things were covered up for all sorts of reasons, independent of each other and of the identity of the assassin(s).

One sentence is particularly odd: "It goes far beyond the bounds of reason to conclude that the FBI over could have been persuaded to help conceal any assassination participation by representatives of the Genovese, Gambino, Bonanno, Colombo and Luchese families." (P. 15) Does this mean that the real Mafia consists of just those five families? (Recall his earlier reference to a "New York" restaurant.) Has anyone accused those families of involvement? Does Garrison really believe that Marcello does not head a Mafia family? Or was the FBI not hostile to Mafia families outside New York? Is Garrison just avoiding the obvious arguments that the government could have chosen to cover up involvement by Trafficante (because of his role in the CIA-Mafia plots), Giancana (because of the Exner connection as well), or Marcello (because of the FBI's failure to crack down on his organization)?

Garrison concludes by asking "cui bono?" "Who gained by this murder? The application of all possible models makes it clear that the Central Intelligence Agency was a major force which gained directly from the covert operation which killed Kennedy and that it indeed was a covert part of this arm of our own government, however unauthorized it might have been at the command level of the agency, which was directly responsible for the slaughter of the young president." (P. 27)

When Garrison asked the same question in 1967, he had a different answer - not the CIA, but Lyndon Johnson. In January 1968, his response was on the front cover of "Ramparts": "Who appointed Ramsey Clark, who has done his best to torpedo the investigation of the case? Who controls the CIA? Who controls the FBI? Who controls the Archives...? Who has the arrogance and the brass to prevent the people from seeing that evidence? Who indeed? The one man who has profited most from the assassination - your friendly President, Lyndon Johnson!" According to the author of the article, Bill Turner, "Garrison made it clear that he was not accusing Johnson of complicity in the crime.... I assume that the President of the United States is not involved," he said. "But wouldn't it be nice to know it?"

Garrison's rhetoric certainly fit the anti-LBJ sentiments of much of the country at that time. I suppose Garrison's analytical skills have just improved over the years.

Former Attorney General Clark, by the way, has abandoned his torpedoes and is on the Board of Advisers of the Institute for Media Analysis.

Turner's article introduced Garrison as "a racket-buster without parallel in a political freebooting state," who turned down "a Mob proposition that would have netted him \$3000 a week as his share of slot machine proceeds." The conspiracy to kill JFK made him "as angry as if... the Mob had attempted to use political clout to get him off their backs.... Only this time... it isn't <<Cosa Nostra>>, but the... government which is trying to keep him from his duty." (The Mob in New Orleans? The Luchese family, I presume?)

Taking Garrison's methodology seriously - without worrying about his ability to apply "all possible models" - it is clear that "cui bono" may not be the way to solve a Presidential assassination, however useful it might be in ordinary criminal cases. If everyone who benefited from JFK's death and had the capability of killing him had tried to do so, gunmen would have been lined up three deep on the grassy knoll. (I am reminded of a cartoon I saw years ago: a Cuban gunman on the grassy knoll says "That's for the Bay of Pigs"; LBJ stands up and takes a shot at JFK himself; and, in the TSBD window, Oswald fiddles with a stuck bolt and complains about his \$20 dflc.)

As for media analysis, Garrison has choice words for some unnamed books whose authors have less trouble than him in finding a major publisher. "Invariably disarming and smoothly written, beautifully bound and published under the imprimatur of some well-established and even beloved publishing house, they are infiltrated into the nation's bookstores.... They always contain substantial new tidbits of previously unknown material (unknown largely because, prior to these particular publications, such material had been kept firmly in the hands of the federal agencies until given to or 'uncovered by' these particular writers.... [E]ach such book, with the aid of expensive supportive advertising and marketing, becomes a best seller." (P.15) I'm afraid that I can't deduce which particular books have drawn Garrison's wrath; I see none on my shelf with especially beautiful bindings.

#### <<MORE ANALYSIS OF MODELS - A 25TH-ANNIVERSARY NOVEL:>>

In October 1988, Warner Books is scheduled to publish "Promises to Keep," a first novel by lawyer George Bernau. We can expect a massive promotion campaign, since the publisher paid \$750,000 for the rights. The manuscript "reviews American history during 1964-1969" under the premise that President Jack Cassidy has survived an assassination attempt. "The prodigiously researched novel grows out of the author's two-decades-long 'obsession' with the Kennedy assassination, a single-minded focus that Warner senses much of the country shares with the first-time author." (#142, Pub. Wkly, 14 Aug 87) With the help of an FBI agent, "President Cassidy starts to unravel the conspiracy to assassinate him.... Bernau said. Apparently the conspiracy involved Oswald, but the book "is not necessarily Bernau's best guess of what happened in Dallas." (#143, LAT in Sacramento Box, 23 Nov 87, 2 pp.; #144: a brief item on a forthcoming four-hour ABC movie based on the book, 5 Jan 88)

Perhaps this theme does have a broad appeal. The 70th anniversary of JFK's birth was the occasion for a column entitled "If only Oswald, Dallas had been just a dream." (#145, 29 May 87, David Nispan, Boston Globe, in the St. Paul Pioneer Press) If Kennedy had lived, "one is entitled to a scenario where he would have skillfully withdrawn American combat forces from Southeast Asia," according to an editorial in the Lincoln Journal. (#146, Oct 87)

#### <<CLARENCE KELLEY SUPPORTS SA HOSTY'S SUSPICIONS>>

As noted in the last EOC, there is a 49-page chapter on the assassination in "Kelley: The Story of an FBI Director." (\$17.95, co-authored by James K. Davis) Reviewer Robert Sherrill observes that "Other chroniclers of the Kennedy assassination have made equally severe judgments of the bureaucracy's role, but Mr. Kelley has a special call on our attention because... or, at least he comes across in this book as, the essential bureaucrat." (#147, NYTBR, 13 Nov 87) Kelley's analysis involves more than routinely bungling bureaucrats, and indeed seems of treatment and followup as a new story. Perhaps because the publisher is Andrews, & Parker, based in Kansas City, the book seems to have gotten relatively little attention. There are not many former FBI Directors around, and Kelley takes a strong position.

It includes that "had our intelligence communities pooled their information on Oswald-Kostikov-Mexico City information been distributed among the... had the Secret Service... been aware of all the Oswald data, and had the

information been distributed to the New Orleans and Dallas FBI field offices in time for them to act them, without doubt, JFK would not have died in Dallas on November 22, 1963." Specifically, if Hosty had known about Kostikov's KGB connections, "the FBI in Dallas would have (after learning that the president was coming to Dallas) undoubtedly taken all necessary steps to neutralize Oswald - perhaps by interviewing him on November 22." (Pp. 297, 274)

The authors acknowledge SA James Hosty (like Kelley, a recent resident of Kansas City), who "devoted considerable time and energy to assisting us with data on the Kennedy assassination." (P. 317) A source familiar with Hosty's views told EOC that much of this chapter reflects them, and that Kelley appears to have adopted much of Hosty's speculation, in addition to openly focusing on the story as Hosty experienced it. It is nice to have Hosty's views out, even if not under his own authorship and control.

Kelley headed the FBI from July 1973 to February 1978. This covers the first part of the HSCA investigation, but there is no mention of the HSCA. There is a passing reference to the Edwards and Schweiker-Hart Committee investigations; "nothing substantive came out of them." The chapter deals at length with the disclosure of the Oswald note to Hosty, and the internal FBI investigation; on a casual reading, the facts seem familiar. Kelley attributes the coverup to "the Dallas group," including nobody from HQ.

Perhaps to distance the FBI from Hosty's speculation, the chapter is subtitled "My Appraisal after Leaving the Director's Chair." Kelley disclaims interest in "theories about the Mafia, the Orient connection, the true Jack Ruby role, etc." (P. 255) He remains troubled by how the assassination could have happened, in light of the government's prior information on Oswald.

Kelley is surprisingly indiscreet about sources. He refers to CIA wiretaps and "ultrasensitive CIA surveillance cameras" at the Soviet Embassy, and "some very highly placed informants within the Embassy itself." The FBI's informant "Solo" met with Castro after the assassination." (Pp. 268-9)

The chapter makes much of the Kostikov meeting ("The importance of Kostikov cannot be overstated" [p. 268]), as did Hosty in his LWT mock-trial "testimony." Hosty's position is apparently that he would have reacted strongly if he had known Kostikov's particular connection with the KGB. It still surprises me, however, that a contact with any Soviet Embassy official did not trigger as much of a response.

I think Hosty was unfairly blamed for much of his handling of the Oswald case, and I can see why he would want to pass some of the blame up the line on this point. The same internal FBI review which punished Hosty censured a supervisor at FBIHQ for "failing to instruct field to press more vigorously after subject made contact with Soviet Embassy." (#148, p. 9 of Gale memo to Tolson, 10 Dec 63) Ironically, Kelley notes (in another chapter) that most agents feared telling Hoover the truth (pp. 39-40), which makes Gale's critical judgments of both Hosty and the supervisor particularly suspect.

Without spelling out his reasoning, Kelley says that "It appeared [sic] that Oswald confided to the Soviets and the Cubans that he had information on a CIA plot to assassinate Fidel Castro," which he would exchange for visas. "It is possible to assume that at the Soviet Embassy he offered to kill President Kennedy.... Despite the Kostikov meeting I personally think the Soviets informed Oswald that they wanted no part of his scheme." Kelley still calls Oswald a "tone madman." (Pp. 268-9, 296)

The fact-checking for this chapter is not totally reliable. The authors say that Oswald was arrested twice in New Orleans for disturbing the peace, on August 9, 1963, and a week later. And did Mark Lane really write a book suggesting that JFK's death resulted from "a Mafia plot"? (Pp. 265, 228)

More to the point, there seems to have been no attempt to shore up a speculative account of the post-assassination reaction of high officials in Washington by reference to testimony or documents. Kelley says that what William C. Sullivan discovered about the Kostikov connection in the Oswald file "must have astounded him.... [He] probably went straight to Hoover [and then to the NSC] No doubt, President Johnson was then appraised." This is what led to "the silence imposed on Jim Hosty" - e.g., the order to stop cooperating with the Dallas Police. (Pp. 293-4) Such actions by Sullivan are just the sort which would have been carefully recorded for or by Hoover, I think. Kelley's reconstruction is plausible enough as speculation, but it would have been nice if, while Director, he had asked someone to research it. (Or did Hosty get through to Kelley only after Kelley left the Bureau?)

Kelley attributes LBJ's warning about rumors which could lead to war to "a number of researchers, including Anthony Summers and Edward Jay Epstein," rather than to the primary sources (Warren and LBJ), so it seems plausible that he just relied on Hosty's speculation. The points relating to Sullivan, and other specific items in Hosty's account, should be carefully checked out.

For example, Hosty says that the two key Soviet-related documents were removed from his Oswald file shortly before his Warren Commission testimony, so that he "could not substantiate" his account of his controversial encounter with DPD Lt. Jack Revill. "It has since been learned" that the documents were removed under orders from Sullivan, who "almost certainly received his orders from the White House," which wanted to avoid a confrontation with the Russians. (Pp. 295-6) This is a fairly serious charge; as far as I know, it is new and unsubstantiated.

Does Hosty think that the Kostikov contact means that the KGB was in fact behind the assassination? It is hard to tell from Kelley's chapter; his emphasis on Kostikov certainly raises that question. Hosty backed down a bit on LWT, conceding that there is "no evidence to that effect" when Bugliosi said, "you are certainly not suggesting to this jury that Kostikov... had anything to do with the assassination." Does Hosty now think that the alleged pre-assassination withholding of information from him was just bureaucratic bungling (Kelley's view), or something worse?

A sinister Oswald-Kostikov meeting is a bit like the political mirror image of a meeting between Oswald and Maurice Bishop. (One difference is that Oswald did meet with Kostikov - unless you are convinced there was an impostor in Mexico; I am not.) I have never been swayed from the Warren Commission's view, which seems to have been, in essence, that Kostikov might have been asked to deal with a peculiar unknown American with a visa problem. Or maybe Oswald-Kostikov is more like Oswald-Shaw-Ferris, or the Maria Loreza caravan to Dallas. On the other hand, sometimes sinister people do get together - for example, Desmond FitzGerald did meet personally with AM-LASH.

#### <<THE KGB MADE ME DO IT - A CHEAP-SHOT BOOK REVIEW>>

The publication of "Disinformation, Misinformation, and the 'Conspiracy' to Kill JFK Exposed" was noted at 9 EOC 1.5. The dust jacket says that the author, Armand Moss, "French by birth, is an American citizen whose previous books [sic] on the Kennedy assassination were published in France. He has also published books on French literary history," i.e., Baudelaire. The book itself makes no reference to his 1980 "biography," "Lee H. Oswald: la fausse c'ignite de Dallas." (240 pages; has any EOC reader seen it?)

His target audience may be his fellow Frenchmen, many millions of whom <<am>> be wrong, he believes. Moss is at least not coy about his thesis: "The object of this study is to demonstrate that if the United States is no longer in the eyes of its allies the great country it was in the 1960s, it is in large part because of the campaign of disinformation waged by the

Kremlin at every opportunity...." For example, "During the years of war in Vietnam, draft dodgers and deserters felt perhaps they were justified when they read interviews with Jim Garrison in <<Playboy>>." (Pp. 181, 137)

Disinformation on the assassination was not only a major part of that campaign, but the driving force behind the controversy, along with authors hoping for a best-seller, and... serious writers who relied on chapter 7 of the <<Warren Report>>. (P. 182) Much of the book is just an ineffective attack on the critics, the HSCA, and the press, combined with fulsome praise of the Warren Commission (except for Wesley Liebeler).

Moss does not argue that the KGB killed Kennedy; Oswald did it alone. He thinks that real Marxists don't go in for assassination - a line suggested in 1963-64 by a united front ranging (if I remember right) from Dean Rusk to Fidel Castro and the CPUSA.

Why devote space in EOC to this book? Some of it is worth quoting, to establish that the book is not reliable enough for anti-buffs to use against us. The silly stuff provided an easy way to fill up this issue. It's easy to ridicule the book just by quoting it, and that isn't even unfair. Since I don't know Moss, I don't worry about offending him. I don't mind showing that I am not hostile only to people who are nominally on my side, like Garrison.

Also, the publisher was kind enough to send the review copy I requested.

There is always the possibility that viewing the JFK case as "disinformation" could catch on in influential circles, in a more sinister form - i.e., blaming the Evil Empire for the assassination. (The well-known anti-Soviet writer Robert Moes is Australian, and presumably not Amann's relative.)

Let me know if anyone important is taking Moss seriously. I plan to get a bit more substantive in a later EOC about flaws in his analysis of the case, and also about his possibly valid insights into Oswald's character. (Not all his insights are persuasive: "Oswald may have decided that the right place for his gun, the proof of his virility, was in his room." (P. 88)) If you can't wait, my preliminary draft notes are available now. (8 pp., #149)

Moss focuses on the Soviet newsweekly <<New Times>> - it is like having the CP's instructions laid out before us, he explains. (Pp. 22-3) This leads to some bizarre perspectives, even in chapter titles: the HSCA is covered in the chapter entitled "New Commissions of Investigation and <<New Times>>."

Moss's attempt to Red-bait Mark Lane and the National Guardian is either incompetent or half-hearted - the Guardian opposed the Marshall Plan and carried ads for the NY School for Marxist Studies! (P. 31)

There are some obvious errors, both in editing ("Michael L. Kurtz's <<Best Evidence>>") and in substance. As an "outright lie," Moss dismisses the valid <<New Times>> claim that "Ruby was an FBI informer." Ruby's links to organized crime are preposterously minimized: "The fact was that Ruby had grown up in a poor neighborhood in Chicago and that some of his playmates had come to no good." Also, "The individuals in the photograph were [not Hunt and Sturgis but] two tramps known in the neighborhood." (Pp. 157, 141, 145-6, 135)

Moss's orientation towards France - he admits to having started with "a rough manuscript written in a combination of French and English" - shows in some minor points of style. For example, in Easterling, Henry Hurt failed to "recognize a typical case of ethylic mythomania." (Moss is right, though.) (Pp. vi, 176) More seriously, Moss is off-base on the political context of the assassination and the dynamics of the investigation.

For example, "As for the 'racists' who were accused [of involvement], they could not have cared less what happened to him: desegregation had started with Dwight D. Eisenhower, was carried on by Kennedy, and in the event of his demise, would be implemented by Lyndon Johnson, who would automatically succeed him and apply the Democratic party's platform." (Pp. 19-20)

Moss is incredibly pro-Warren Commission (much worse than me), except concerning Liebeler's chapter 7: "Millions of pages have been written about the conspiracy; not a single one contains any valid information. In contrast, not a single sentence in the <<Warren Report>> concerning the major points - Oswald's guilt, the total absence of any evidence of a conspiracy, and Ruby's role - needs to be altered." (P. 133)

"All the necessary information on the facts was provided by the investigative agencies... to the Warren Commission, which published them. The commission's files, deposited in the National Archives, do not give any supplementary information." (P. 207-8)

"...certain [WC] witnesses of limited intellectual capacity gave testimony in which mistakes were so obvious that the commission did not consider it essential to publish their declarations with the other exhibits. The commission's critics used these omissions to accuse it of having discriminated among the testimonies." (P. 38; no footnote)

The FOIA produced a resurgence of interest in 1975, when "researchers could consult [WC] documents kept in the National Archives...." (What was I doing there in 1970, then?) (P. 132)

"Two early studies [by Dwight Macdonald and John Sparrow] deserve a particular mention." (P. 208) Moss's work has certainly earned a place alongside Sparrow's, as an often cranky and wrong-headed curiosity piece.

#### <<INDEXES>>

Ray Ritchie has compiled an index to the first four years (#1-28) of Gary Mack's valuable newsletter, "Coverups!" The 37 pages cover subjects as well as names. You can order a bound copy for \$5.25 from Ritchie at 5 Belmont Avenue, Randolph, ME 04345, to show your appreciation and to support his work. (He has almost completed a cross-reference listing of documents cited in the footnotes of the HSCA volumes, which will be useful to students of the HSCA investigation.) Also, while some local copying prices remain low, I can provide an unbound photocopy for \$2.50 postpaid (#150).

Users of the computerized AARC database should be aware that it does not purport to be a complete index of the books it refers to. (Details: #151)

By the way, I have no index to EOC; any IBM-compatible volunteers?

#### <<THE 24TH ANNIVERSARY>>

The anniversary stated two sentences in the "On This Date" feature in the S.F. Examiner. I have seen no press reports mentioning the controversy.

Associated Press carried a photo of an unnamed family at JFK's grave, and noted that Ethel Kennedy and Evelyn Lincoln had visited Arlington Cemetery; Edward Kennedy was there on November 20, RFK's birthday. (#152, SFC, 23 Nov)

#### <<A DOCUDRAMA VERSION OF HOOVER'S COVERUP>>

Perhaps the closest thing to anniversary coverage of the assassination was part of a four-hour dramatization, "Hoover vs. the Kennedy: The Second Civil War." The title is misleading, since the subtitle refers to the potential explosiveness of the civil rights movement. The program is mostly about how Hoover and the Kennedys dealt with it, and with each other.

On the assassination, the main theme is that RFK did not really want to know if his suspicions of a conspiracy were true. What may have really happened is summarized in a meeting - completely fictional, as far as I know - in which Clyde Tolson tells Hoover about the evidence of a conspiracy which is his to reveal: Oswald's alleged possession of Ferrie's library card (!), which links him to Marcello, the Mafia, and thus the plots against Castro; also, the indirect links from Oswald, his uncle, and Ruby to Marcello. Hoover says that he would lose his job if things like Oswald's note to Hoagy and the FBI's taps on gangsters threatening the Kennedys came out.

My impression of the program as a whole was that the writers were careful to use accurate quotes where possible; there were many familiar lines, but they made such events as RFK's meeting with CIA officers about the Mafia plots seem less than realistic. It was evidently thought necessary to explain the key events of the Kennedy administration for the under-forty audience. (Do British historical dramas seem better just because of the writing and acting, or does it help to be unfamiliar with the history?)

The reviews I saw tended to be negative, particularly about the acting and about the whole idea of another Kennedy drama. (All 17 Nov: #153, SFC; #154, LAT; #155, SFC [The second-northern show I've ever seen on TV, surpassed only by "Roller Girls"] For the views of Daniel Selznick, who also produced "Blood Feud" (5 EOC 2.4), see #156 (3 pp., 15 Nov, SFC). (Photos: #157; comment on the poor ratings: #158, SFC, 19 Nov)

There is a nine-page section on the assassination in "Secrecy and Power: The Life of J. Edgar Hoover," by Richard G. Powers. It is critical of Hoover, mostly in unsurprising ways, mostly based on secondary sources such as the Schwelker Report. (If one must use secondary sources, that is a good one.)

Powers argues that "Hoover's greatest failure under Kennedy may have been his blindness to the implications of the rabid opposition the president was attracting, and from this followed his failure to provide the White House with pointed commentary and intelligence on the magnitude of the threat to Kennedy." (P. 390, citing Schlesinger's RFK book) This may have been why the fictional Hoover in the Selznick production was shown as dismissing a specific (but undescribed) threat against JFK from Dallas.

#### <<AUTHOR'S QUERY - JAMES J. ANGLETON>>

Tom Mangold, who is writing a biography of Angleton for Simon & Schuster, would appreciate hearing from anyone with documents or other information about his intelligence career, definitely including Nosenko and other matters relating to the JFK assassination. His researcher, Jeff Goldberg, is an expert on the JFK case, formerly with the AIB. If you are privy to unfamiliar details or have ideas to share, write Goldberg at 1410 26th St. NW, #2, Washington, DC 20007. Mangold, co-author with Tony Summers of "The File on the Tsar," can be reached c/o BBC TV, London W12 7RL.

Angleton's close friend and employee, William Hood, is also working on a biography. (See #159, Pub. Wkly, 18 Sep, on Hood's book, and #160, WP, 20 Dec, on both projects.)

#### <<MARITA LORENZ, IN UNLIKELY COMPANY AGAIN>>

The newly formed Association for Responsible Dissent, an anti-covert-action group, includes several well-known ex-CIA agents, such as J. Stockwell, P. Agos, D. MacMichael - and Rona Marita Lorenz (#161, WP in Oakland Trib, 27 Nov 87). She now says that her son by Castro is working as a doctor, although she originally thought (and was told by the FBI and CIA) that he was dead at birth. She claims that later she was part of Operation 40, did a black-bag job for the FBI, and was set up by the CIA with Pe'rez Jimenez of Venezuela. (#162, Village Voice, 8 Dec 87, 2 pp)

It is hard to decide just how much of this biography to dismiss, but I am even less inclined now to believe that she went to Dallas in November 1963 (to meet Jack Ruby) with Oswald, Sturgis, Hemming, and others. (10 HSCA 93)

#### <<GEORGE DEMOHRENSCHILDT'S MYSTERIOUS HAITIAN FRIENDS>>

The HSCA reported an intriguing story of contacts by DeMohrenschildt with particularly interesting U.S. intelligence figures, and with Clemard Charles. The HSCA staff report described Charles rather discreetly, focusing on his contacts with U.S. intelligence. In his book on the Nugan Hand affair, Jonathan Kwitny calls him a "banker and begman" for Duvalier, jailed (I wonder when) allegedly for "overrewarding himself." (#163, 2 pp. The book, "The Crimes of Patriots," has much on Ed Wilson.) In 1979, Charles became the candidate of Mitch WerBell (!) to be President of Haiti if Baby Doc could be overthrown. Author Herb Gold has reported that Papa Doc celebrated the assassination and let it be known that he had directed voodoo magic against JFK. A tangled web.

#### <<MARK LANE EXPLAINS IT ALL FOR US>>

Lane has added his perspective on the controversy over what the FBI allegedly told Kenny O'Donnell not to tell the Warren Commission. (See 9EOC2.2) "For almost a quarter of a century those closest to Kennedy have conspired, upon the initiative of the FBI, to conceal... the truth...." O'Donnell was questioned for the WC by Arlen Specter, "whose rise to prominence was over the body of the president and the truth about his death." Prof. Norman Redlich "achieved sufficient fame in suppressing the facts... to secure promotion." Dave Powers "declined to testify" and submitted an affidavit instead, apparently feigning probing questions. In 1975, O'Neill was "the major obstacle" to the establishment of the HSCA. (#164, O'Neill Blows Lid Off JFK Coverup." Spotlight, 5 Oct 87, 2 pp.)

"If FBI agents had sufficient temerity to advise two important White House aides to commit perjury... one can only imagine how they influenced the testimony of the hundreds of other witnesses...." As I noted earlier, one can think about this story before letting our imagination take over; there is probably more to it than the villainy of the FBI.

"Spotlight" also noted that Lane has joined Victor Marchetti on the staff of "Zionist Watch," a new newsletter. Marchetti called Lane "one of the most articulate and best-known American Jewish critics of Zionism." (#165)

#### <<CREDITS>>

Thanks to J. Davison (#144), J. Goldberg (160), G. Hollingsworth (142-3, 147, 153, 154, 159, 164-5), J. Lassar (148), M. Longton (141), J. Marshall (139-140, 161), R. Ranftel (162-3), R. Ritchie (150), C. Silvey (146), and T. Summers (138). I am far behind in some correspondence; please remind me if you are expecting copies or specific information.

# Citizen Complaint of Wrongdoing by Federal Officers

September 17, 1987

Mr. Edwin Meese, III  
Attorney General  
Main Justice Building  
10th & Constitution Avenue Northwest  
Washington, D.C. 20530

Dear Mr. Meese:

I am writing to you to register my complaints about certain actions that have been carried out against me and my associates. I believe these actions constitute violations of our civil rights as well as violations of the criminal law in some instances. These actions are all the more reprehensible in that they are politically motivated. I take this means to request that you investigate these matters and, where appropriate, reprimand the individuals involved and file criminal charges.

Let me explain my situation to you. I am a veteran of the United States Army. I served with the Special Forces in the Vietnam War for more than two years between 1964 and 1970. I consider myself to be a patriot and am proud of my service to this country. Since the end of the Vietnam War, I have been actively involved in seeking to locate and free American POW's and MIA's left behind in Southeast Asia. I have been associated in these activities with Lt. Col. James "Bo" Gritz and others, including Scott Weekly. I believe our efforts have been carried out with the tacit - if not always, overt - approval of certain elements within our government. These government and military officials share our goal of freeing these forgotten Americans.

In the fall of 1986 Col. Gritz and Mr. Weekly went to Burma. They had received intelligence from the "Basement of the White House," which led them to believe certain Burmese had information about American POW's. These leads proved to be unfounded. However, on that trip Col Gritz learned about illegal drug trafficking directed by U.S. government-related operatives. These drug dealing activities were on such a scale that they were used to fund covert, para-military operations in Southeast Asia and in other parts of the world.

In May of 1987 I went to Burma with Col. Gritz and others. We brought back startling evidence directly linking American officials with illegal drug trafficking. A report on this Burma trip is attached hereto as Exhibit "A."

Over the years it has baffled me why the U.S. Government would not actively and vigorously pursue the release of our POW's and MIA's. Now, the answer is clear. Any renewed American activity in Southeast Asia, on a scale necessary to the release of the abandoned POW's and MIA's, would attract unwanted attention to covert activities in the area. Government-sponsored drug trafficking is an explosive subject. Obviously, many government elements the story left untold.

Scott Weekly was charged with illegal transportation of explosives. He was made promises by ATF Agent Thomas Hahn which induced him to plead guilty to the charges. It is, of course, highly improper for law enforcement officials to make promises, especially false promises, to criminal defendants to persuade them to plead to criminal charges. This was done in Mr. Weekly's case. Pages were extracted from his pre-sentence report which would, very likely have mitigated his sentence. This action would have to have been known about and approved by the Assistant U.S. Attorney Stephen Korotash. In Montana, Mr. Korotash's activities would have violated the Canons of Professional Ethics, which hold:

"a public prosecutor or other government lawyer in criminal litigation shall make timely disclosure to counsel for the defendant, or to the defendant if he has no counsel, of the existence of evidence, known to the prosecutor or other government lawyer, that tends to negate the guilt of the accused, mitigate the degree of the offense, or reduce the punishment." DR 7\*103(b)^E^

"A lawyer shall not suppress any evidence that he or his client has a legal obligation to reveal or produce." DR 7)109(A)^E^

I believe Agent Hahn and Attorney Korotash conspired to violate Mr. Weekly's rights by persuading him not to retain effective counsel and to plead guilty.

Thereafter, Col. Gritz was charged with a passport violation and has registered his own complaint, a copy of which is attached hereto as Exhibit "B." Col. Gritz recently informed me that U.S. government representatives offered him government employment and dismissal of the charges against him if he would cease activities relative to the POW's and stay out of Southeast Asia. In other words, if Col. Gritz would shut up and cease his activities in Southeast Asia everything would be all right - for him. As usual no thought was given to the POW's and MIA's nor their families and loved ones.

Following my return from Burma on June 1, 1987, Col. Gritz was charged. I set out to investigate facts relative to the passport violation charge as well as the Scott Weekly situation. During the course of my short investigation there were several incidents which took place that were certainly blatant violations of my rights as a U.S. citizen. It is my opinion that the reason these violations took place is because I had in my possession reports, documents and tapes which accuse and support accusations that U.S. Government officials deal in drugs and certain government employees have lied and obstructed justice in order to convict perfectly innocent persons of criminal wrongdoings.

I believe they have been motivated by a desire to silence myself and my associates to keep the lid on the drug trafficking evidence we have uncovered. Short of that, they seek to discredit us and the information we've obtained.

I traveled to Seattle, Washington, on June 27, 1987, to interview a U.S. Customs Agent named James Foley. Mr. Foley's telephone number is (206) 442-1974. His address is 1580 South 156th Street, Seattle.

I spoke with Inspector Foley and told him I needed to locate the customs agent who passed Col. Gritz used, which was stamped at SEA-TAC Airport by Agent 1099. Attached hereto as Exhibit "C" is a copy of the passport. I told him that Col. Gritz had had several passports with him and the agent had taken him to an interrogation room. There he told Col. Gritz he hoped he had a telephone number they could call. Col. Gritz gave them a number and one of the customs men left. Returning a few minutes later, he said "Okay Col. Gritz, you're free to go". Inspector Foley told me he may know who the customs agent was that finally cleared Col. Gritz through. He said that the number stamped in the passport may or may not mean anything but he may possibly recognize the handwriting.

The next day, June 27th, I contacted Inspector Foley at his home. He told me he had spoken with another Inspector named Arthur Henning. He said he had asked Henning if he could remember an incident about five years ago when a Green Beret Colonel came through customs with several passports. Inspector Foley told me Inspector Henning immediately told him, "James 'Bo' Gritz." Henning said he remembered the incident because of the publicity Col. Gritz received on the POW issue shortly thereafter. Henning said he had taken Col. Gritz to an interview room along with another customs agent, John Hood. Col. Gritz had given them a telephone number which Henning said was to the State Department. Henning told Foley he handled the incident. He said Agent Hood may have written down the telephone number Gritz had given them a telephone number which Henning said was to the State Department. Henning told Foley he handled the incident. He said Agent Hood may have written down the telephone number Gritz gave them in his notes and could still possibly have it. He told Foley the call to the State Department would have been made by a supervisor, possibly Lynne Robson, who is now dead. Henning told Foley he remembered Col. Gritz was carrying at least three passports. He, also, said there would be a "Negative Search Report" on the incident. I sought this information because we had been led by U.S. Attorney Wulfson that this type evidence should have been sufficient to result in the dismissal of the charges against Col. Gritz regarding the fraudulent passport. After receiving this information from me, Col. Gritz's attorney, Lamond Mills, contacted Wulfson. Wulfson told Mills he had already talked to Customs Inspector Henning about the incident, but that he wasn't dropping any charges, despite what he had said earlier.

About that same time I was contacted by an investigative reporter named Tony Kimerey from Oklahoma City, Oklahoma. Kimerey told me he was in the office of the Assistant U.S. Attorney, Stephen Korotash. Jerry Bohnen, a KTOK news reporter, was there too. Kimerey can be reached at telephone number (404) 525-6780. Jerry Bohnen can be reached at (405) 840-1948. Also present in the office was Alcohol, Tobacco, Firearms Agent Tom Hahn. Kimerey said that ATF Agent Tom Hahn told him, in the presence of Korotash and Bohnen, that he (Hahn) had removed 9 pages from the documents that went before Federal Judge Alley, before the sentencing of Scott

Weekly. The pages that Hahn removed were letters from several different Government agencies corroborating the story that Scott Weekly was involved in the Afghan training program which was sanctioned by the U.S. Government. If it were so, that the program was sanctioned by the government, then no laws would have been broken in shipping the C-4 by commercial air carrier. Kimerey also said that a U.S. Government investigator, who has done investigations for the U.S. Attorney's Office in Oklahoma City, told him he could not understand why ATF Agent Hahn and U.S. Attorney Korotash were being so malicious in prosecuting and railroading Scott Weekly.

On July 18th, I traveled to Vancouver, British Columbia to find a man named Ahmad Rashid and his wife, Margaret. Ahmad was Scott Weekly and Col. Gritz's government contact in the Afghan training program. A meeting with Ahmad, Scott Weekly and Col. Gritz was set up in August 1986 by William Bode, then Special Assistant to the Under Secretary of State for Security Assistance. Assistant U.S. Attorney Korotash and ATF Agent Hahn have been saying all along that there was no Afghan training. They claim Weekly and Col. Gritz were selling explosives to the Iranians. This is utterly ridiculous. I had thought at one time that maybe they really didn't know about the Afghan training. Maybe they were being lied to by persons in the government. But now I find that Agent Hahn has been in contact with William Bode since the early days, even before Weekly was arrested in December of 1986. Hahn was given a training schedule of the Afghan training by William Bode. Bode admitted this to Col. Gritz.

Upon my arrival in Vancouver, British Columbia, I contacted Margaret Rashid, wife of Ahmad. Margaret had assisted her husband in the briefing of Col. Gritz and Scott Weekly. Margaret and Ahmad were to have given Gritz and Weekly all of their knowledge on the Mujahadeen Afghan Freedom Fighters so that they could use this knowledge in training several different factions of Mujahadeen in hopes of unifying them. I was lucky to have reached Margaret when I did because she was getting ready to leave Vancouver within a few days to join her husband in Montreal. Ahmad was in Montreal looking for a place for them to live.

Margaret and I talked about her role in giving the information to Weekly and Gritz about the Mujahadeen in August of 1986. Margaret told me that she and Ahmad were in constant contact with William Bode. She said that Bode was their U.S. Government contact. As a matter of fact Bode was the one that gave her and Ahmad the money to move to Montreal. This evidence would prove that this was a government-sponsored program. That being the case, Weekly should not have been convicted of the crime he was charged with. Bode and his associates were trying to get the Rashids out of Vancouver before Col. Gritz or anyone tried to contact them. Margaret said she also knew of Gritz and Weekly's problem. She knew Weekly was in jail but she did not exactly know why. She said she had a three way telephone conversation with Bode and another man from the U.S. Government some time ago. The man from the U.S. Government was the one who suggested they move to Montreal away from Vancouver. He was also the one who suggested that Bode give them the money to move on so that we could not find them. Margaret could not remember the name of the U.S. Government official they had the conversation with, but I found out later it was ATF Agent Tom Hahn.

William Bode had called Col. Gritz about the same time I was visiting Margaret. He had no idea I had been talking to her. He told Col. Gritz he had just heard of Weekly's being in jail. He told Col. Gritz he was no longer working in Afghan studies or in the State Department. He told Gritz that he hadn't been there since last February. He said that if someone had contacted him before he would have at least given ATF a copy of the Afghan training schedule to prove Weekly was working under the auspices of the Government.

A few days later, when Bode had found out I had talked to Margaret Rashid, he again called Col. Gritz. He asked Col. Gritz who Lance Trimmer was. He told Col. Gritz he had tried helping all he could. He said he had given Agent Hahn a copy of the training schedule. In the prior conversation he had said he may have given him a copy. He also stated then that ATF Agent Hahn was the third person on the three way telephone conversation with him and the Rashids.

The above information are all lies told by Government employees ATF Agent Hahn and Assistant U.S. Attorney Korotash have lied from the beginning and they continue to lie. My attorney in Oklahoma City, Frank Miskovski, who is a very prominent attorney in that area, told me that he has not once talked to ATF Agent Hahn that Hahn had not lied to him.

Hahn admitted to two reporters that he omitted several pages of documents to be presented to a U.S. Federal Judge in recommending a long jail term for Scott Weekly. This was a clear violation of Weekly's rights. Hahn was instrumental in trying to hide witnesses that could prove Scott Weekly's innocence. Those witnesses could have proven that Weekly was involved in a legitimate, U.S. Government-approved, training program of Mujahadeen Afghan Freedom Fighters. It seems very clear to me that Assistant U.S. Attorney Korotash was also involved in the hiding of these documents.

I have continuously tried to determine why ATF Agent Hahn and U.S. Attorney Korotash would want so badly to put Col. Gritz and Scott Weekly in jail. The only conclusion that I have is that some persons or people higher up in the Government are pressuring them to muzzle Col. Gritz. Col. Gritz is a proven American hero, whose only goal in life is to bring home American Prisoners of War left behind in Southeast Asia after the Vietnam War. The government wants to stop him from giving to the American people documents and evidence that show U.S. Government officials are now, and have been, dealing in drugs.

These are acts of governmental agents involving the obstruction of justice and illegal suppression of evidence, which would show the charges against both Weekly and Gritz to be ill-founded.

Now, let me address the acts which have carried out against me.

I was arrested at the U.S./Canadian Point of Entry, Blaine, Washington, on August 13, 1987, by U.S. Customs officials. I was arrested on a warrant, issued out of the federal district court of Oklahoma City, Oklahoma. There were charges. I was wanted as a material witness to appear before the grand jury in Oklahoma.

Immediately following my arrest, I was searched and placed in a holding cell. I was told by a Customs Agent that they were going to look in my car. Much later, three agents came to my cell. One of them, who appeared to be in charge, introduced himself as Jim Williams. He read me my rights and asked me a couple of questions. I would not answer his questions but told him I was sure he had read a report that was in my bag that would answer all the questions he had. He insinuated that what he had read was interesting. One of the agents with him asked me if I had a number that he could call. What he meant was, he wanted to know if I was working for some government agency. I told him I had none. I don't believe he would have asked that had he not read papers in my briefcase. I was then chained up with leg irons, belts and handcuffs and taken to Whatcom County Jail where I was booked in, finger-printed and mugged. I was told that ATF Agents would pick me up in the morning and take me before a magistrate in Seattle.

The next day two ATF Agents, Norm Prins and Jane Heffner, picked me up for transfer to the Seattle U.S. Marshall's Office. Agent Prins handcuffed me with my hands behind my back, put me in leg irons and escorted me to his vehicle for the 1 1/2 hour drive to Seattle. He told me he had two of my bags in their trunk. He also said that he had been to the Canadian Border where they had picked up my bags from Customs. I asked where the other two were and was told he knew nothing about them. Obviously, they had searched my car and seized and searched my personal property.

On the way in Agent Prins said he'd like me to answer some personal questions he had. He said they had nothing to do with my case because he knew nothing about it. He said his questions had to do with POW's. If he knew nothing about my case, he would not have known to ask me about POW's. I assume he had read the papers in my briefcase and clothes bag. We talked about POW's and also about my Burma Report.

When we arrived at the U.S. Marshall's Office, where I had to appear before the Magistrate, my hands and arms were asleep from having to sit handcuffed with my arms behind my back. The marks and bruises were still on my hands from the cuffs four days later. Agent Prins got my two bags out of the trunk of his car. I noticed the center section of my clothes bag was still zipped open. I never was allowed to look in my bags. They said they had brought them to turn over to the U.S. Marshall's Office, but the Marshall's Office refused to accept them. They obviously argued over them for some time until the ATF agents said they would take them and hold them in their office. I asked again about my briefcase and clothes bag but was told that Customs had kept them. I asked why and was told that they were "doing something" with them. I asked what, and was told just "something, but I shouldn't worry about it." I said obviously they are making copies of my diary and reports. They said they didn't know but admitted it was possible.

Before appearing before the Magistrate one of the U.S. Marshalls called the Customs Agent Williams and asked about my briefcase and camera case. I could not hear what Agent Williams was saying but when he hung up the Marshall told me that Williams would have my bags sent to whatever address I wanted. I told him I wanted my bags brought to me because they also contained my credit

cards and identification which the agents had kept when they took my wallet, also I told them they had no reason to keep them. The Marshall then told me they were "doing something with them." When I asked "what," he said he had no idea.

I was then taken to the Magistrate where I was admitted to a \$10,000 bail. I told them I could make bail immediately if I could make a phone call. This was approximately 4:30 p.m. The Marshalls then took me from the courtroom back up the elevator to their office. When we passed a phone I asked if I could make that call. They said I could when I got to the office. When we reached the office, they had me go into their little holding room and then fooled around preparing this and that. I asked again about a call and was told, "in a minute." It was obvious they were stalling for time since it was close to 5:00 p.m. When I was finally allowed to call it was too late for anything to be done. This meant I was stuck in jail for the weekend.

I was then allowed to call Customs Agent Williams. I asked him about my briefcase and camera bag. He said he would send them somewhere for me. I told him I had to have them in my hands. I needed my identification and credit cards to bail out of jail. He said there was no way to get them to me now that the weekend was there. I told him someone could surely drop them at the ATF Office with my other bags. He said they couldn't do that until Monday. I asked if it was going to take that long to make copies of my personal diary and papers. He said they weren't doing that. I said what about the phone numbers. He said we are just "doing something" with the bag. I said I would like them right away. He said it was impossible and I would get them on Monday or maybe Tuesday. They would be through with them then. He stated he would not be there

personally himself next week but someone else would handle it. That was the best he could do. I was then taken to Kent, Washington, to the Kent Corrections Center. I was taken there in handcuffs and chains. I was fingerprinted and mugged for the third time.

While in the Kent Corrections Center I made four written requests. The first one was made on August 15. I requested they return my briefcase and personal belongings being held by Customs immediately. This included my credit cards and other identification. I was told they could do nothing. They said I must contact the agency that had them, although those agencies wouldn't accept a collect call. I wrote another request on August 16 and was told the same thing. Copies of all four requests are attached as Exhibit "D." On August 17 they would not answer my request and on August 18 I was not allowed to make a phone call. They did finally tell me that a U.S. Marshall had brought my identification cards from Customs on that day after I had told them I would not leave the jail without my identification even if I was bailed out, because it was clear they could arrest me for vagrancy.

While in the jail there were two phone calls I made which were very important regarding my bail. On one occasion, I was right at the point of learning a phone number that I needed to call to have bail brought immediately, when the conversation was cut off by whoever was monitoring the call. Several persons called the jail with messages for me, with regard to bailing me out, but the messages were never

given to me. Finally on Tuesday afternoon, August 18, I was allowed to bail out on a \$10,000 cash bond. The attorney who was instrumental in bailing me out had to drive me to the Canadian Border at Blaine, Washington, which was more than 125 miles away in order for me to get my briefcase and camera bag.

All of the contents in those bags obviously had been removed. My notes and papers were thrown back in completely out of order and it looked as though several typewritten notes were missing. The Customs Agent, Joe Rydell, stated that I either had to sign an inventory list they had made up or he would not return my belongings. There was no way I could tell if every piece of paper was there. I was never given an inventory list of what they took from me. They kept my personal diary, papers, pictures, and identifications cards, including credit cards, for six days and refused to return them. They told me they were "doing something" with them. It was clearly an illegal search and seizure. I was only arrested as a material witness. I have been a law enforcement officer and understand what the term "probable cause" means. There was no probable cause to seize my property and search it. There was no reason to treat me like a criminal. I can understand being jailed on a warrant. I cannot understand being handcuffed, chained, mugged and fingerprinted on numerous occasions, being denied access to my property, and being denied the opportunity to arrange bail. All of this was a serious violation of my civil rights.

After I finally got released on bail I had to travel more than 200 miles to retrieve my personal belongings. They forced me to personally go out of the way which took another day. It was then too late to travel to my home in Montana. I had to go to California to secure my automobile and then travel to Oklahoma City where I was to appear before a Grand Jury, on the Subpoena the government had issued me upon my arrival. I called the U.S. Attorney's Office and checked in as I was supposed to do. The man that I talked to about transportation to Oklahoma City told me that I should pay my own way and turn in a voucher on the day I appeared before the Grand Jury. I then left for Oklahoma City. I needed to find a lawyer for my appearance.

When I appeared at the U.S. Attorney's Office with my attorney, Frank Miskovski in Oklahoma City, we were met by ATF Agent Tom Hahn. Tom Hahn stated that U.S. Attorney Korotash was out of town. I asked if he was also on vacation and Hahn replied he didn't know. He told me Korotash was out of town and could not be reached. Hahn said he had been trying to contact me for the past ten days. I called him a liar. He said he was not lying. I told him I called in twice to the U.S. Attorney's Office. Hahn stated that I only called in once. I told him I called on Monday August 24 and checked in with a woman secretary. I also called in on August 26 and told a male I would be coming to Oklahoma City and wanted to know about travel arrangements. Hahn said he only heard of one time I called. He said that he had called my attorney several times in Washington. I called Mike Jordan, my attorney in Washington, on August 30 from Oklahoma City. He told me that Hahn had called him on Friday trying to contact me to tell me they postponed the Grand Jury Hearing.

On September 1st, the day of my scheduled appearance, Hahn gave me a new subpoena for September 14. I asked

if my bail would now be returned. He said he didn't see why not. He would check. I waited for some time before Hahn returned and told my attorney that they were going to hold my cash bail of \$10,000 until I appeared on September 14.

I left to make a phone call and then returned with my attorney and asked for Agent Hahn. I was told he was no longer around. My attorney asked to speak with the U.S. Attorney Price. He was not around. This was at 1:30 a.m. We asked to speak with any U.S. Attorney who could make a decision. We were taken to a Chief U.S. Attorney whom I told I wanted my bail returned or to be put back in jail. I told him the bail I received was promised to be sent back to the person it came from on September 1 and I had appeared as promised. This U.S. Attorney called Agent Hahn who, just a few minutes earlier could not be found, and had Hahn come to his office. He told Hahn I was there to be put in jail so my bail would be returned.

Hahn immediately made many calls. A long time later he came out and told my attorney that they would either return my bail and place me in jail, return my bail and release me on my own recognizance or schedule the hearing in the morning. He was to call my attorney at his office. Later in the afternoon, my attorney contacted me about 4:30 p.m. and said that Hahn was obviously a habitual liar. He had finally talked to Hahn after 4:00 p.m. and Hahn told him he called 4 or 5 times but couldn't reach him. My attorney's secretary said that Hahn had called once. My attorney was not in and Hahn did not call back. My attorney called Hahn back twice but could not find him. He finally reached Hahn about 4:10 p.m. and Hahn told him they reset the Grand Jury Hearing for the following morning, September 2. I appeared at 9:00 a.m. on September 2nd before the Grand Jury. I talked about U.S. Officials dealing in drugs, about General Shin Sae of Burma, about a statement I made of a complaint being filed regarding charges of wiretapping by AFT Agent Hahn. Halfway through the U.S. Attorney's questions, they stopped the hearing and told me there would be no more questions. It was approximately 1:00 p.m. I was told that I was free to go and would have my return on October 1. I believe that is less than a week. The hearing on my passport violation case is scheduled for trial in Las Vegas, Nevada, on the very same date.

My attorney and I asked that my bail be returned along with my passport. AFT Agent Hahn said he saw no problem with that. He said he would clear it with U.S. Attorney Blair Watson. We waited about 45 minutes. Hahn came later and said he would have it taken care of after lunch. My attorney called him after lunch but as usual he was not around then. He talked to the U.S. Attorney Watson who said he didn't know about the bail and he would have to stay wherever it was. He believed it was held in Washington State where it was posted. My attorney called the U.S. Attorney's office in Seattle, Washington, and was told it had been sent to Oklahoma. My attorney talked with the U.S. Attorney in Seattle later and was told Hahn had told them that because it took so long for them to find me he didn't think they should release my bail. There was never any agreement to release my bail until September 14th. At this writing I still don't have it back. Since recovering my property I have

discovered that several items are missing, including typed notes and a tape of conversations with Margaret Rashid and Tony Kimerey. I spent more than ten years of my life serving my country as a soldier. I risked my life in combat in support of our government. I worked as a court officer, a police officer and as an investigator for a period of 15 years. I have a college degree in criminal justice. I believe in our system and have proven my commitment by my service. I cannot tolerate nor abide the perversion and subversion of our system, especially by those like me who have taken an oath to defend it.

This complaint deals with high-level government policy makers who have sacrificed our POW's and MIA's, and a lot more, to cover-up illegal and reprehensible drug trafficking activities. It deals with federal Justice Department officials who have lied, silenced witnesses, discredited genuine patriots and heroes, obstructed justice and used their power to harass and intimidate honorable citizens. I've heard of the alleged illegal drug trafficking, supported by the CIA, in Central America. Until my recent experience I wouldn't have believed it. You are the top law enforcement officer in the United States. You have a duty to investigate, vigorously, the charges raised in this complaint. Today is the 200 anniversary of our constitution. The greatest threat to that sacred document is being mounted today by the lairs, obstructors of justice and other slime who believe the ends justify the means and "plausible deniability" is a defensible standard of conduct in an open, democratic system. The people and activities, complained of herein, threaten our very system of laws. Do yourself proud. Deal with these complaints vigorously. The issue of illegal drug trafficking is now before the public.

When it becomes apparent to the public that our POW's and MIA's have been abandoned and our youth have been exposed to drugs to protect an activity, the wrath of the people will be incredible. No longer will we try to hide this activity, too many know of it. The tactics that have been used to produce the silence of people like me on this issue are unjustifiable. Restore my faith in my government. Do your duty. I have sought to do mine. And as those POW's and MIA's abandoned in Southeast Asia, have done theirs.

Sincerely,

Lance Trimm  
200 Central Plaza, Suite 216  
Great Falls, Montana 59401

Subscribed and sworn to before me this day of \_\_\_\_\_ 1987 (Linda Cooper) Notary Public for the State of Montana  
My commission expires \_\_\_\_\_ 1989

cc:  
ATF, Washington, D.C. ATF, Oklahoma City, Oklahoma  
U.S. Attorney William Price, Oklahoma City, Oklahoma  
U.S. Customs Service, Washington, D.C. U.S. Customs Service, Blaine, Washington, D.C. U.S. Department of State, Washington, D.C. DEA, Washington, D.C. Members of the United States Congress