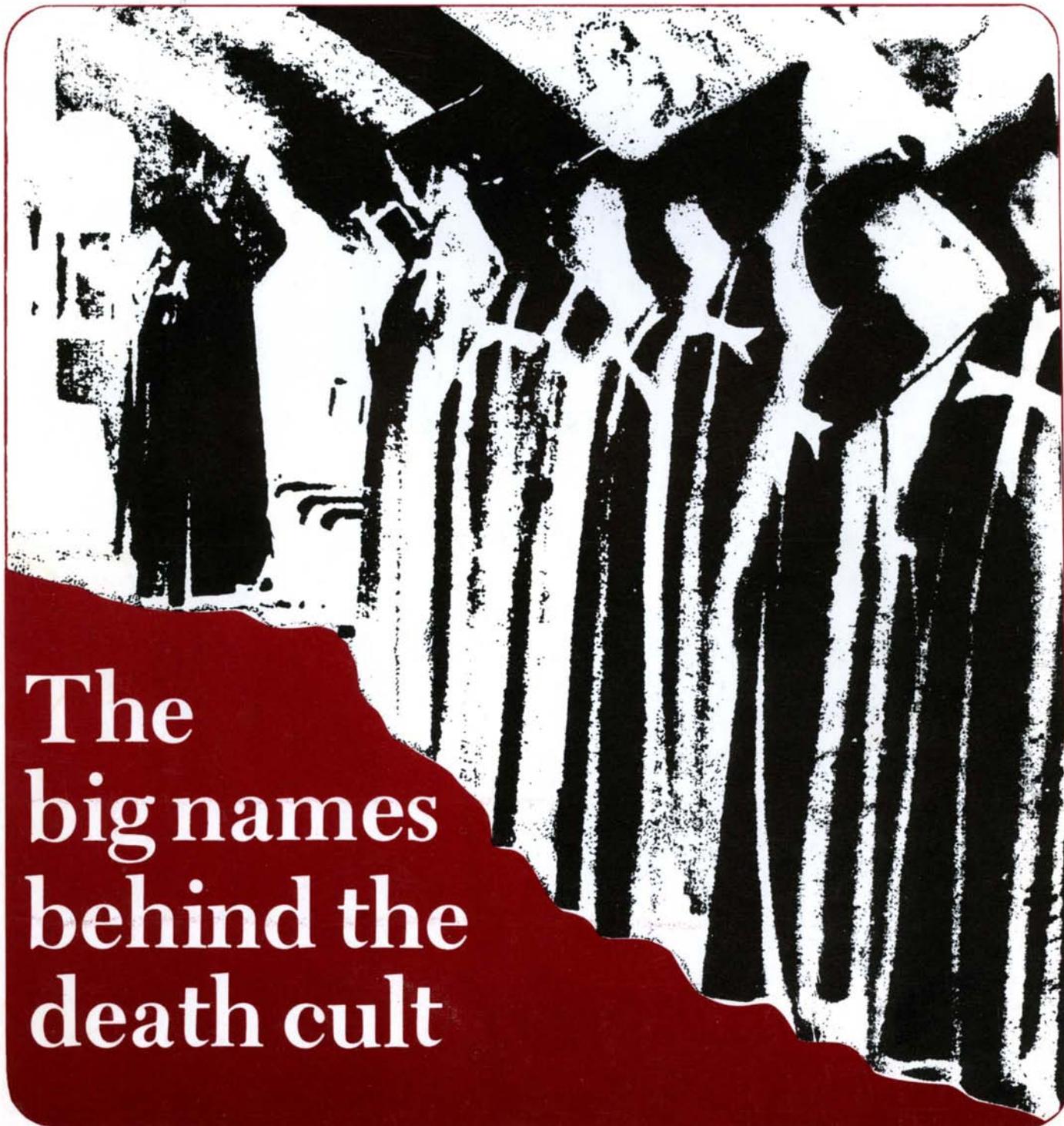


# EXECUTIVE INTELLIGENCE REVIEW

December 5-11, 1978

How Israeli intelligence  
is taking over the CIA



The  
big names  
behind the  
death cult

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# EXECUTIVE INTELLIGENCE REVIEW

## The big names behind the death cult



You've had your nose rubbed in every gory detail of the mass deaths at Jonestown. The **SPECIAL REPORT** featured on our cover tells the real story — who created the Jones cult, how they did it, and why.

Did you know that the Peoples Temple in Guyana was set up and operated as a drug-running base? That Jones's pedigree traces straight back to the CIA's infamous MK-Ultra LSD project? That Jones's injunction "die with dignity" is being pushed as a mass cult by Ted Kennedy and the so-called hospice movement? That the whole cult business, from A to Z, is a British intelligence project? Our report, put together by Counterintelligence and Terrorism editor Jeffrey Steinberg and a team of expert investigators, reveals all this and more. **page 8**

On our cover: the cult behind the cults — the British oligarchy's Order of St. John of Jerusalem in full regalia.

## IN THIS ISSUE

### Israeli intelligence taking over CIA policy making

What does it mean when an Israeli military intelligence general lambasts the Central Intelligence Agency's intelligence capabilities in testimony before U.S. Senate staff members, while two leading Zionist organizations issue reports denouncing an alleged U.S. "Arab lobby"? The answer, in our COUNTERINTELLIGENCE report, has ominous implications for independent U.S. intelligence-gathering capabilities and for U.S. capacity to restrain Israel from using its H-bomb capability against the Arab oil fields. Plus: the ADL's "Arab lobby" hit list. **page 52**

### The Jones cult and the Mau Mau model

Will there be an outbreak of terrorism in the wake of the Jonestown murder-suicide? Who will the terrorists be? A report prepared by the U.S. Labor Party Security Section in our TERRORISM section explains just how the model of the British Mau Mau operation can help answer those questions, and why law enforcement agencies should be keeping an eye on the "Jones defectors group." **page 29**

# EXECUTIVE INTELLIGENCE REVIEW

---

## THIS WEEK

- Shades of 1974** ..... 5  
*The same voices are calling  
for dollar collapse and terror*
- The European Monetary System will be  
ratified — without Britain** ..... 5
- Whose goose is Ceausescu cooking?** ..... 7
- No limit on insanity** ..... 7

## SPECIAL REPORT

- The big names behind the death cult** ..... 8  
*The pushers of drug decriminalization,  
"dignity of dying," and cultism*
- Who created the Jones cult — and why** ..... 11
- Cultism's roots in MK-Ultra** ..... 18
- Kennedy's hospice movement:  
"death with dignity" for all** ..... 21
- Cult politics take over:  
the California case** ..... 25

## TERRORISM

- The Jones cult and the Mau Mau model** ..... 29  
*The "defectors" group is key  
to looming terrorist deployment*

## ECONOMICS

- Behind the calls for tight money** ..... 32
- Robert Triffin: The Apollo of  
the Council on Foreign Relations** ..... 34
- How to collapse the U.S. economy** ..... 36  
*British follow 1974 Herstatt script  
in their bid for a crash of '79*
- Are U.S. bankers committing hara-kiri?** ..... 38

---

**INTERNATIONAL**

- Ohira victory a setback to 'Bremen East' ..... 39**  
*Already, business leaders press Prime Minister  
to continue Fukuda's policies*

---

**EUROPE**

- The truth about the Moro murder  
breaks into Italy's press..... 43**  
*European Labor Party book is  
scrutinized by Italian government*

---

**THIRD WORLD**

- Dealing Latin America into the EMS..... 47**  
*The new monetary system offers  
industrialization and trade*

---

**U.S. REPORT**

- Vote machine tampering in Maryland ..... 49**  
*Freeman challenges Mitchell with  
evidence of 'recount' at the warehouse*

---

**COUNTERINTELLIGENCE**

- Israeli intelligence taking over CIA policy making .... 52**  
*Zionist lobby targets U.S.-Arab economic ties*  
**ADL's corporate, intelligence hit list ..... 55**

**Behind the calls  
for "tight money"**

Are the architects of the "tight money" policy sincere in their professions of "inflation fighting"? The answer, reports financial analyst Lydia Dittler, is "no." Her report, heading this week's ECONOMICS section, details how a provoked U.S. recession would work to help keep control of the massive Eurodollar market in British hands, and block the channeling of excess dollar liquidity into the European Monetary System's global development projects. Plus: the precedent of 1974's Herstatt panic in a step-by-step analysis of how Britain and her agents hope to collapse the U.S. economy today, and a profile of pro-IMF forces' oracle, Robert Triffin. page 32

**Ohira election sets  
back 'Bremen East'**

The election of Henry Kissinger's "favorite Japanese" as the new Prime Minister of Japan last week came as a shock to just about everybody — most of all the man he replaced, Takeo Fukuda, a leader in the effort to establish the European Monetary System as the world's new financial structure. Already, Ohira has spoken of shifting the emphasis of the Japanese role behind the International Monetary Fund. This week's INTERNATIONAL report analyzes the Ohira victory, and what it means. page 39

# EXECUTIVE INTELLIGENCE REVIEW

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really negotiated at the July 1978 Bremen and Bonn summits of industrialized countries . . . and how the European Monetary System launched at Bremen was *modeled* on a 1975 proposal by the American political economist Lyndon H. LaRouche, Jr. as the "seed-crystal" of a new, development-oriented world monetary system . . . how the United States can get into this system and out of the depression . . .

## ... REPORTED HOW

fusion energy researchers in the United States achieved the milestone breakthroughs reported in August, 1978 from Princeton, and what other advances are coming in this clean, cheap and virtually unlimited solution to the world energy crisis . . . how and why there was a massive sabotage attempt against the U.S. fusion program, and who's backing fusion now . . . what were Japan's and the Soviet Union's offers in 1978 to the USA for joint fusion R&D.

## EXECUTIVE INTELLIGENCE REVIEW

October 17-23, 1978



## ... DOCUMENTED

what's behind the world outbreak of terrorism . . . the names of the global networks that deployed both "left" and "right" terrorism to kill Juergen Ponto, Hanns-Martin Schleyer, and Aldo Moro—and plan an even bigger terror wave for the United States . . . Executive Intelligence Review provides the first-hand documentation from the world's press, including accurate translations from non-English sources, showing how continental Europe, Japan, the East bloc, the Arabs and developing sector countries are seeing and acting on events.

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# Shades of 1974

*The same voices are chorusing for dollar collapse and terror*

Predictions by Prof. Robert Triffin before the Council on Foreign Relations on Nov. 24 of an international banking collapse if the world does not hand itself over to the International Monetary Fund are only one example of statements circulating on the international scene that remind us of 1974. *Le Monde* is recalling the Herstatt disaster. The same British investment bankers who commented sadly on the early demise of the New York international banks back then are full of fresh scenarios for the dollar, the U.S. economy, and the Eurodollar market.

Back in October 1974, Federal Reserve Chairman Arthur Burns ordered the banks to shut off lending, and collapsed the bubbly U.S. economy in the worst-ever wave of layoffs and credit contraction. That is precisely what *The Wall Street Journal*, Salomon Brothers, and the entire British press are demanding (although it is doubtful whether Miller has the political sway to do it). What knocked out the economy was the combination of the Eurodollar credit contraction provoked by a series of British special operations, including the collapse of the Herstatt, Franklin National, Sindona, and Mossad's own Banque du Crédit Internationale — plus Arthur Burns.

The scenarios passed along to the *Executive Intelligence Review* by willing British banking outlets run along similar lines. We will not take the trouble to print most of them. At this point, given the overwhelming strength of the Europeans and Japanese in the international markets, the likelihood of their success is small, even if

American bankers behave in the stupidest possible way. Assaulted since the inception of the Carter Administration, the American economy, like Rasputin, is refusing to collapse.

However, there is a darker side to this business. October 1974 fell in the middle of the Patty Hearst affair, run through the same professional mind-control networks responsible for the Jonestown horror, documented in this issue. A strategic turning point not unlike October 1974 is in the making. Then, as now, the U.S. Administration is opting for an austerity policy that is horrifying sections of the business com-

munity, when it should be taking aggressive steps out into the international markets. In 1974, the U.S. financial community took it on the chin from Burns, made a deal to keep bankrupt London functional at the expense of everyone else, and then took the consequences in the form of recession. The same London journals are saying the same things they said then. The world situation is immeasurably more stable, due to the efforts of our European and Japanese allies. But the dangers brought on by continued display of American stupidity are in the most important respects infinitely greater.

— David Goldman

## The EMS will be ratified — but without Britain

The European Monetary System is slated for ratification Dec. 4 at the European Community heads of state summit — with Italian membership, but not British. The UK government has finally made an official announcement that it cannot join an EMS which would require a pound sterling devaluation and will supersede the British-administered International Monetary Fund.

But, in a substantive victory for Franco-German EMS diplomacy, the Italian cabinet meeting Nov. 28 granted Christian Democratic Premier Giulio Andreotti full powers to consummate Italian entry Dec. 4; Andreotti has in-

formed Luxembourg and Holland that he will do so, pressing for rapid EMS funding of regional development. Despite the anti-EMS stance of the Italian central bank, and a Nov. 29 statement by the British-controlled Socialist Party that "the presence of Britain is needed as a condition for making valid an acceptable compromise on the mechanisms of the EMS," Andreotti's policy now has the full backing of the previously reluctant Communist Party. General Secretary Enrico Berlinguer endorsed the EMS in a recent *Unità* interview on the grounds that the EMS will serve as a vehicle for the Third World economic development he

termed essential for further growth in the advanced sector.

West German Chancellor Helmut Schmidt has continued to consolidate domestic support for the new system. On Nov. 29 and 30, he made a virtually unprecedented appearance at sessions of the Bundesbank's council and board of governors, at the invitation of central bank president Otmar Emminger. Schmidt is expected to mop up any stubborn pockets of opposition to the EMS by explaining that despite fears about violating the Bundesbank's "autonomy," the system is the only way to ensure stable banking and currency relations, by financing growth and rescuing the dollar's reserve role. At the board meeting, Emminger, initially an EMS opponent, told a press conference he is "as good as convinced that the EMS should go through" — risks, he added, must be accepted to accomplish anything important.

The board spokesman for one of the Big Three West German commercial banks, Robert Dhom of Commerzbank, was quoted in

the Nov. 29 business daily *Handelsblatt* with a newly unqualified endorsement of the EMS. It is "primitive," he said, to call the EMS "an inflation machine" (the Milton Friedman-Mont Pelerin tag). The EMS, he added, will go into effect "with no problems" Jan. 1, minus Britain; he called for full implementation of the European Monetary Fund reserve pool "as soon as possible."

### Britain disrupts

The British government meanwhile has finally issued a "Green Paper" on the EMS. It concludes that a pound devaluation is unacceptable, the EMS's fixed-parity system is undesirable, and EMS adaptation to the IMF is essential. As the *Daily Telegraph* and *Observer* of Nov. 27 reviewed at length, the Callaghan government will not accept the rational downward pegging of overblown sterling exchange rates entailed by EMS membership; but — "between a Scylla and Charybdis," as the *Observer* accurately if unoriginally put it — the

very confession of weakness signaled by staying out of the EMS will trigger a run against the pound.

To console itself, Britain accomplished two direct EMS disruptions: its representative Jon Silkin put forward impossible demands at the latest international fishing rights conference, which shut down the meeting. And, most important, the British-dominated European Commission in Brussels wrecked talks on trade and economic relations with the socialist-sector Comecon group, insisting that Comecon not be given rights equal to the European Commission's to negotiate for its members. The prelude to the Bremen EMS inauguration had been Schmidt's gigantic economic agreement with the USSR last May, paving the way for Comecon liaison with the EMS. This setback is of course far from irreversible, especially as EMS plans proceed to curb the Brussels Commission's wrecking capacities.

— Susan Johnson

*"The proposed European Monetary Fund is a subject which has not been properly recognized anywhere in this country. Business leaders should take advantage of Mr. Goldman's appearance to find out the facts behind the proposal... I plan to attend — I invite bankers and corporate executives to do likewise."*

Robert M. Perry  
Executive Director  
Michigan Banking Association

DAVID GOLDMAN is economics editor of the *Executive Intelligence Review*. Through the work of Mr. Goldman and his staff, the *Review* has scooped other U.S. press and economic analysts repeatedly in coverage of the European Monetary System. Mr. Goldman has interviewed top executives at dozens of leading American Banking and industrial concerns, and led the *Review's* team in on-the-spot coverage of the recent International Monetary Fund meeting in Washington, D.C.

COSTAS KALIMTGIS is a contributing editor to the *Executive Intelligence Review*. Mr. Kalimtgis is recognized as one of the economic theorists responsible for the formulation of the International Development Bank policy which serves as the model for the European Monetary Fund proposal. Mr. Kalimtgis is also the coauthor of the soon-to-be-released book, *Dope Inc. — The World's Biggest Business*.

## A seminar on 'Saving the dollar — the Facts behind the European Monetary System'

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# Whose goose is Ceausescu cooking?

Top NATO leaders convened Nov. 25 in Lisbon to plan "the evolution of dissidence among Warsaw Pact members" and "the defense of human rights and the tension between East and West in view of human rights," the Portuguese daily *Express* revealed this week.

As this meeting began, the story broke in the international press of disagreements at the Nov. 22-23 Warsaw Pact head-of-state level consultation. Returning from this meeting, Romanian President Nicolae Ceausescu made world headlines for his refusal to condemn the Camp David accords and the nation that Britain fervently advocates arming — the People's Republic of China. Ceausescu has also declared his dissidence within the Warsaw Pact by announcing Romania's refusal to ever obey an order from a "foreign" commander.

To whose benefit is this escalation of southern European and Balkan tension? Last week's failed push by the British in NATO for a pro-NATO coup in Spain provides a lead. That country was not jolted out of its support for the new European Monetary System. The growing, openly stated "Atlantic to the Urals vista" of Soviet-European cooperation for the new world monetary system is horrifying the British, as their press reports.

Last week alone, Soviet President Brezhnev's policy commitment to continentwide economic and political detente was reflected in several Politburo appointments and demotions as well as in the Final Declaration of the Warsaw Pact. This declaration called for the development of nuclear energy in conjunction with key disarmament measures. The call for nuclear energy cooperation on a worldwide basis, made frequently by the Soviets, has been accompanied recently by direct offers to the U.S. for increased trade. The Soviet commitment to draw the U.S.

into the EMS as a vehicle for these objectives is indicated most recently in their public support for EMS-initiators West Germany and France.

In 1968, a similar scale of cooperation between President Brezhnev and French President Charles De Gaulle led to the deployment of Zbigniew Brzezinski against Czechoslovakia, the "Prague Spring." Only this summer, Brzezinski confided to high-level sources that he still considers the "dissident card" his ace-in-the-hole against the Warsaw Pact. (This is no doubt the origin of exmental patient Vladimir Bukovsky's recent London protests equating, as Hitler did, "human rights" with "nationalities' rights.") The British press is hopefully egging on a "Bucharest Winter." The London *Guardian* claimed Nov. 30 that Moscow is faced with a "Prague Spring" every 10 years, and this year it will be in Romania!

Ceausescu's refusal to join the Warsaw Pact condemnation of Camp David — the "Munich Pact" as these nations have called it — is not a mystery. The British-deployed Israeli intelligence services have maintained this separate diplomacy as an option of Mideast destabilization since the Kissinger "shuttle diplomacy" ended. But has the Mossad promised to put Ceausescu under the nuclear umbrella Israel gained through espionage against the United States in return for his public support?

Despite press predictions that Warsaw Pact troops will soon be marching into the Romanian capital, the Kremlin is actually carrying out a policy of "restraint within and with reason." The Soviet leadership has chosen to garner support for its economic development-centered detente policy by appealing to appropriate sources. Thus, this year's Warsaw Pact Final Declaration included in

it for the first time a call for ecumenical cooperation amongst "socialists, social democrats, Christian democrats, and religious organizations." At the same time, Pope John Paul II has moved to head off possible Brzezinski-type destabilizations in Poland by praising the atmosphere of growth provided for the Catholic Church in his home country.

---

## No limit on insanity

In the Nov. 29 *New York Times* Richard Burt reported that the U.S. "is moving toward a vast revision of its strategy on nuclear warfare."

Burt, who served as the assistant director to London's International Institute of Strategic Studies, wrote that National Security Director Zbigniew Brzezinski was clearly coming to dominate the Defense Department and the Carter Administration on such strategic questions. "Aides in the Defense Department and National Security Council, see 'a revolution' in nuclear strategy," wrote Burt. "The purpose of their initiatives is to give the United States an enhanced ability to wage a limited nuclear conflict."

This is the wildest insanity — to be specific, London's insanity. While the IISS seeks to convince the U.S. to face off against the Soviets in a "limited war" showdown, the Soviets are saying again and again that if there is war, it will be all-out war — thermonuclear world war.

Moreover, Burt's hopes for a strategic U.S. shift to mass suicide were dampened when, at his Nov. 30 press conference, President Carter disavowed the limited nuclear war concept. Asked by a reporter about the strategy shift Carter replied there "was no change in our basic policy of deterrence."

# The big names behind the

First a U.S. Congressman was gunned down in the jungles of Guyana. Then over 900 members of the Peoples Temple of Jim Jones died in a grisly human sacrifice ritual. Then the mayor and a city supervisor of San Francisco, the Jones cult's home base, were assassinated. Warnings of terrorism by Jones cult members, and by former members, new cults threatening suicide and murder, were the stories interspersed in all the media amid the increasingly gruesome coverage of every aspect of the Jonestown massacre.

Of every aspect? In fact, the American people, the Congress, and professional law enforcement officials are now further from understanding the cause and the significance of those events than they were when the first reports were flashed back from Jonestown.

While the media inundates the population with its own brand of death cultism, the real story — the big names behind the death cult — has gone unreported.

Both the "black propaganda" in most media, and the horrifying events themselves, are no spontaneous sociological phenomena. As a careful examination of the facts shows, the whole hideous business was deliberately created, cultivated, and deployed by a closely knit group of conspirators, whose control traces back to the British Special Operations Executive (SOE) and the cult formations in which the power around the British monarchy is organized. Its purpose is to wreck the foundations of the American political system, beginning with the Carter White House, to establish the preconditions for a massive wave of Baader-Meinhof style terrorism in the United States under the cover of fanatical pseudoreligious cults, and to remove all obstacles to the installation of Senator Edward Kennedy as President on, or before, Jan. 20, 1981.

Sound like *Brave New World*, or 1984? It should. For the Peoples Temple and the rest of the scenario is all

the product of a 40-year-long British intelligence project run into the United States under the case officership of Aldous Huxley, and employing a vast array of individuals and institutions at a cost running into the billions of dollars.

## The satanists of London's oligarchy

The following report will provide the average citizen and the trained investigator with the evidence to identify the criminals behind the death cult "movement," from the immediate controllers all the way to the top. Many have familiar names — Ted Kennedy, California governor Jerry Brown, Health, Education, and Welfare Secretary Joseph Califano, Henry Kissinger, Zbigniew Brzezinski. A long list of private institutions and contaminated government agencies, acting as effective centers of SOE subversion in the U.S., put years of systematic, coordinated effort into Rev. Jones's little cult, and now they are reaping the payoff.

But the "mother" of this entire network is to be found in the Tavistock Institute in London, in the SOE, the most secretive branch of British intelligence, and in the British monarchy's official "chivalric order," the Most Venerable Military and Hospitaller Order of St. John of Jerusalem (Knights of Malta). These oligarchists, sharing their devotion to the centuries-old cult of Isis, and of its magical, feudalist outlook, have duplicated themselves in microcosm in the zombies of Rev. Jones and other brainwashed kook groups.

As if to flaunt the fact, one of the prime press outlets of the London oligarchs has virtually declared that the Jonestown massacre signals the beginning of a new cult of Isis era. In its Nov. 25 issue, the Rothschild-owned London *Economist* ran an atrocity photo cover from Jonestown with the headline, "Is Satan dead?" and, inside, hailed the horrible events in Guyana as a

# death cult

manifestation, albeit "extreme and therefore distorted," of a new kind of religiosity sweeping the world (see box, page 10). "There are perhaps worse (events) to come," the *Economist* predicted, and concluded that by the 21st century it would all lead to "coherent new bodies of spiritual belief."

Even more horrifying was the comment of one of Jerry Brown's advisors immediately after San Francisco mayor George Moscone and city supervisor Harvey Milk, both supporters of Jones, were murdered by a former city official. "Dionysus is loose in California," he said. "That is good news. The bad news is that it is so strange to people that they are afraid."

## The immediate effects

The most visible impact of the Jonestown massacre thus far has been to set the Carter Administration up for a scandal paling Watergate by far.

Having in hand the Guyanese government's public evidence that every prominent member of the British-allied Zionist lobby in government — with the significant omission of Ted Kennedy and Jacob Javits — endorsed or supported Jones's operation in Guyana, the executive branch has declared that it will not investigate. If, as has been threatened, cultists launch a retaliation, Carter could be forced to resign immediately.

In one way, the stonewalling is not surprising. Some in the Administration — Califano and Mondale, for example — are up to their necks in the "right-to-die" movement that made the Jones cult possible, and in the vote fraud machine of George Moscone and Jerry Brown of which Jones was a part.

But the real sponsor of this "movement" is the man who stands to reap the most immediate political benefit from Carter's downfall — Senator Kennedy. The man who publicly professes to be Carter's biggest

## Cultists in the U.S. government

*The New York Times and other leading U.S. press have hastily moved to attach blame for the murders in Jonestown to the Guyanese government, the Soviet Union, and finally, the "atmosphere" of the city of San Francisco, quietly dropping from its pages any reference to the leading American officials who underwrote Jim Jones's operations.*

*But last week Guyanese President Forbes Burnham released a list of U.S. dignitaries, mostly from the Kennedy wing of the Democratic Party, whose praise-filled commendations had prompted Guyana's acceptance of the settlement at Jonestown. The list of Jones's supporters reached from big-city mayors up to the White House offices of Vice-President Walter Mondale, all of them persons so closely linked to the Maltese Order's networks and the British-based cult of Isis that they belie any claim of being "fooled" by Rev. Jones. Here, some of the highlights:*

### Vice-President Walter Mondale:

"Knowing of your congregation's deep involvement in the major social and constitutional issues of our country is a great inspiration to me."

### HEW Secretary Joseph Califano:

"... Knowing your commitment and compassion, your humanitarian principles and your interest in protecting individual liberty and freedom have made an outstanding contribution to furthering the cause of human dignity."

### Senator Henry Jackson:

"I also welcome hearing of the fine work of your church and the many projects which your congregation has undertaken."

supporter is intending both to pick up the pieces of the Carter Administration and to hasten the collapse of the U.S. into the sort of austerity regime typified by the hospice ethic of hustling the sick and the aged into low-cost coffins with the aid of heroin, LSD, and other drugs.

### **Kissinger and Brzezinski's role**

The role of Henry Kissinger in the Jonestown atrocity began with his preparation for Jones's migration to Guyana during his tenure as Secretary of State. At the time the Kissinger crowd facilitated the colonization, they knew that this was to become a drug-growing and drug-distributing operation into the U.S.,

in line with the standing London strategy of "opium war" against America. Moreover, getting Jones's cult into the Guyana border region was an integral element of the more general British scenario for preparing the overthrow of Guyanese leader Forbes Burnham.

The Kissinger influence continues through current National Security Advisor Zbigniew Brzezinski, who was himself personally responsible for quashing adequate security measures or intelligence on the danger to Congressman Ryan or others going to Jonestown to "rescue" inhabitants.

Now the Federal Communications Commission has admitted to having in its possession *one full year's worth* of tapes monitoring coded radio transmissions from the Peoples Temple to the U.S. But the agency responsible for decoding such monitorings, and for supervising the FCC, is the National Security Agency — run by Zbigniew Brzezinski!

### **The investigative method**

The evidence presented in this report is best understood as a set of four nested overlays. Each provides a detailed map of one feature of the overall operation, and has frequent points of intersection with the other three.

The first overlay is the dossier of Jones and his Temple, that traces Jones's personal career from his recruitment into the British Fabian-founded Fellowship of Reconciliation, to his days as a leading "get out the vote (fraud)" pol in the 1976 elections, to his drug-running operation in Guyana.

The second is the network of private and official agencies that participated in the CIA's MK-Ultra, the LSD pilot project that got the counterculture started and where many of Jones's controllers were first trained in the science of cult creation.

Third is the hospice movement, the "right to die"-goes-respectable crowd, that brings together Kennedy, the Order of St. John, and the cult philosophy of "embracing death."

Last is an examination of the California case, where this entire tissue of conspiracy is effectively in place as the government of the state — with the sort of results now making lurid headlines around the world.

## **'Is Satan dead?'**

*From the London Economist of Nov. 25:*

The mass suicide of several hundred members of an obscure American religious-cum-political sect in a remote corner of Guyana is not just another example of the American tendency to violence, and not just another warning of the madness that lies at the fringes of the cult world. . . .

It is also an extreme and therefore distorted manifestation of a much wider change that is happening to the world. . . .

The market place of religious innovation is one of the last and best examples of free enterprise in the world today. The cults and sects and communities which are looking for new ideas in this field are most numerous in the United States because America is, in this matter too, 20 years ahead of the rest of the world; but they are to be found in Europe, west and east. . . .

It is a period of experimentation; and, like all such periods, it is disorderly, hopeful and terrifying. Anything goes. Elements of Christianity mix in with elements of the old eastern religions and philosophies. Half-forgotten fragments of animism, and of the dark other side of the religious coin, are taken up and tried out. Some people attempt to break through the barriers of comprehension with drugs; others prefer willpower and hard work; not surprisingly the first sort, like anyone relying on external aids, is more vulnerable to darker influences than the second, self-controlled, sort. It could take until well into the twenty-first century before all these experiments finally take shape as coherent new bodies of spiritual belief, with coherent new institutions to run them. . . .

### **When the wrong force is with you**

If things go well. But in times of change and experiment, and especially spiritual change and experiment, many of the experimenters are flawed, troubled or damaged people; many of them do not understand the awful power of the forces they are dealing with; and the consequences they unleash can be horrifying. That is inevitable: no transformation starts with the end tidily and comfortably in view at the beginning. It explains some of the appalling or dismaying or merely embarrassing things that have already happened, from the Manson murders to the Guyana mass-suicide by way of the intellectual dishonesty of some of the "instant transcendental meditation" cults. There are perhaps worse to come. The important thing to grasp is that these horrors are only the most spectacularly visible — because most extreme — signs of a much bigger and deeper movement. . . .

# Who created the Jones cult — and why

On Nov. 18, 1978, a fact-finding mission led by Congressman Leo Ryan (D-Cal.) investigating charges of drug trafficking and involuntary imprisonment of American citizens by the Peoples Temple of Rev. Jim Jones in Jonestown, Guyana, was gunned down by Peoples Temple members as they attempted to board their airplane at the Port Kaituma airport. Five people, including Rep. Ryan, were killed and a dozen other members of the party injured.

Moments after the ambush, Rev. Jim Jones assembled 800-900 of his zombie followers in the center of the Temple commune and ordered them to commit human sacrifice by swallowing a lethal dose of cyanide mixed with a number of drugs and Kool Aid. The potion administered by Jones and his medical assistant Dr. Schacht was described fully in the *New York Daily News* of Nov. 22, and is very similar to the "Brompton Mix" used by the Order of St. John of Jerusalem's St. Christopher's Hospice in London.

Parroting the Order of St. John's hospice propaganda, Jones urged his psychotic followers on by extolling the virtues of "dying with dignity." According to a survivor of the death ritual in Jonestown, many of the cultists accepted the potion only at gunpoint and those who refused the spiked Kool Aid were forcibly injected with the poison.

## Drug connection confirmed

On Nov. 20, an aide to Rep. Ryan who survived the weekend ordeal delivered a statement to the press in San Francisco which has been blacked out of the national media. He confirmed that the Ryan fact-finding group had uncovered "drug-related matters" involving Jones and the Peoples Temple. The following day, two reporters returning from the Jonestown scene reported that massive quantities of a wide variety of drugs were uncovered amidst the

human rubble — far more drugs than needed to satisfy the medical needs of all of Guyana for up to a year!

Also uncovered at the Peoples Temple scene was a half-million dollars in cash, large quantities of gold and precious jewels estimated at \$3 million, and a trunk containing over 800 U.S. passports. Subsequent reports published in the *New York Post* indicate that an additional \$3 million of U.S. currency may have disappeared at the time of the mass suicides.

Within the Peoples Temple complex, Jones maintained a remarkably sophisticated and high-powered "ham" radio system capable of transmitting to California and the Mid-Atlantic states. Not only were American intelligence agencies aware of this illegal radio system, it had been monitored by the Federal Communications Commission for several years as part of an official investigation. The Peoples Temple also maintained at least three large trawler-yachts, registered in the port of Mobile, Ala. (1) The trawlers operated in the Caribbean waters between Guyana and the United States and were known by U.S. and Guyanese authorities to bypass normal customs channels, often by anchoring in international waters just outside the 12-mile coastal limit. These trawlers were confirmed to have smuggled illegal weapons into Jonestown.

What was Jones running? According to federal records and on-the-scene observation, Jones was running drugs, illegal automatic and semi-automatic weapons, and other contraband on a sufficiently large scale to warrant his operation of a private fleet of pirate ships and a sophisticated pirate radio network.

These facts could not have gone unnoticed by a number of U.S. federal security branches including the National Security Agency and the Office of Naval Intelligence, which are responsible for monitoring these areas. The counterespionage branch ("Division Five") of the Federal Bureau of Investigation and Air

Force intelligence must also have known about Jones's guns-for-drugs program via a different but related channel of information to be discussed below.

This brush-stroke picture of Rev. Jones's Guyanese colony is filled out by briefly considering the published and unpublished reports on the nature of the northwest region of the South American British Commonwealth state of Guyana. The jungle area of northwest Guyana where the Peoples Temple and several other U.S. based cult-plantations are located was a horribly desolate and virtually uninhabited region until the World Bank interceded in the mid-1970s to demand that the Guyanese government initiate large-scale marijuana cultivation in the area as a condition for rolling over Guyana's debt. The area was an ideal location for the resettlement of hordes of mind-destroyed U.S. ghetto victims organized into slave gangs through the use of sophisticated behavior modification techniques and drugs administered under the pretext of Christian-based pseudo-religious cults.

Adjacent to Jonestown is another 6,000-person settlement founded by "the East" — a Brooklyn, N.Y.-based black nationalist cult known principally for its drug-running and gun-running activities in the Bedford-Stuyvesant section of Brooklyn and in Hartford, Conn. "The East," along with its affiliated Newark, N.J. "Kawaida Temple" headed by Leroi Jones (aka Imamu Baraka), was founded on the basis of a synthetic religious belief structure identical to the "seven-headed cobra" of the Symbionese Liberation Army, which was run through the same San Francisco channels that fostered Jim Jones's Peoples Temple. These synthetic belief structures (i.e., brainwashing systems) were specifically developed by University of Chicago "social engineer" Saul Alinsky. (2) *The entire nest of ghetto zombies in the Guyanese marijuana fields were preprogrammed as surely as if they were minicomputers!*

## On the trail of Jones's controllers

It should be clear to the average reader and strikingly evident to the trained investigator that such goings-on require the oversight of a layer of trained intelligence personnel with specialized skills in coercive psychology. While a full evaluation of who constituted the "controller" strata at Jonestown is not yet complete, certain obvious cases can be identified that represent the crucial starting point for any serious investigation.

The two most important cases are lawyers Mark Lane and Charles Garry. Lane is particularly crucial as he has a background as an Anglo-American intelligence operative entrusted with classified assignments since World War II. Both Lane and Garry were in Jonestown throughout the period of the Ryan investigation. The two declined to leave with the fact-finding team and have admitted foreknowledge that the team would be attacked and that the mass-suicide was pending. Lane and Garry's foreknowledge of a

direct threat to Ryan's life in fact predated the fact-finding team's departure from the USA. Lane and Garry remained in the Jonestown area until the rescue teams arrived and were segregated from those cultists coerced into the death ritual.

Lane was an Air Force Intelligence officer during World War II at a time when Air Force Intelligence was virtually run from the top by the British Air Force's Special Air Services (SAS) — the same SAS that has been the principal British counterinsurgency force deployed both within and against the Irish Republican Army Provos in Northern Ireland. Lane's tenure with Air Force Intelligence coincided with that branch's official involvement in Operation Artichoke-Bluebird, the predecessor LSD experimental projects of MK-Ultra. During the 1950s, Lane was an FBI "Division Five" counterespionage agent operating within the Communist Party USA on the East Coast. "Division Five" was the creation of British SOE head Sir William Stephenson and was run by a Canadian national and Stephenson protégé Major Louis Mortimer Bloomfield.

From the 1960s, while still the "Division Five" agent-handler, Bloomfield ran the Montreal-based Permindex Corp., a private assassination and drug-running bureau positively implicated in the assassinations of President John Kennedy and a number of European political leaders. Evidence that Lane maintained his Air Force Intelligence-"Division Five" credentials well into the 1960s is highlighted by the fact that he worked under British intelligence's Lord Bertrand Russell from November 1963 on a project called the "British Who Killed Kennedy Committee," the first level of coverup of Permindex's role in the Kennedy assassination.

San Francisco-based "radical lawyer" Charles Garry was part of a team run out of the Criminology School of the University of California at Berkeley which maintained control over a variety of black radical groupings in the Bay Area, including most notably the Black Panther Party. As a member of the proterrorist National Lawyers Guild (NLG), Garry's activities prior to the Jonestown massacre bordered on criminal complicity in terrorist activities in much the same way that the activities of the Socialist Lawyers Collective in the Federal Republic of Germany eventually became indistinguishable from the activities of the Baader-Meinhof terrorists they were "defending."

During the year leading up to the Nov. 18 events, Garry was the channel of support for Jones from such Institute for Policy Studies-affiliated "radicals" as Angela Davis and Huey Newton. It is unconfirmed, but highly likely, that Garry was a recruiter for the Peoples Temple, drawing in former Black Panther Party members and Bay Area drug addicts and criminals he had "defended" through the NLG and related channels.

This "witting" classification of Garry is further

substantiated by his long-standing close association with the NLG's East Coast counterpart "old boys" Leonard Boudin and Victor Rabinowitz of Rabinowitz, Boudin and Standard. Boudin et al. were responsible for a mid-1960s study of Caribbean and South American countries that would be prime targets for drug cultivation and chemical production, including marijuana, hashish and LSD. Through the Boudin-Rabinowitz effort, an earlier cult, Timothy Leary's Brotherhood of Eternal Love, established LSD and hashish production-distribution centers in the Bahamas, Costa Rica, etc.

As reported in the *New York Times* of Nov. 20, Jones's entry into Guyana was paved by numerous leading figures in the Democratic Party, including Vice President Walter Mondale, Secretary of Health, Education, and Welfare Joseph Califano, California Governor Jerry Brown, Sen. Henry Jackson (D-Wash.), and San Francisco Mayor George Moscone. All of these individuals issued letters of glowing praise for Jones's "charitable acts" and services to the Democratic Party. Since the mass suicides of Jones and 900 followers in the Guyanese jungles, these political figures have naturally attempted to distance themselves from the Jones death cult, either by disclaiming the fact of the letters' existence (as in the case of Sen. Jackson) or by portraying Jones as a man who became deranged in the last months of his life.

As we delve into the early background of Rev. Jones and trace his path from Indianapolis to California and on to the jungles of Guyana, it will become clear that Rev. Jones's preaching the "dignity of death" to a mob of suicide victims in Guyana last week was no different than the crazed Jones known to his Indianapolis neighbors in the early 1950s, when he set up his first Temple at the age of 18 with the revenues from selling imported monkeys!

Sources in Indianapolis report that a far-reaching coverup is underway to conceal the identity of the Indiana-based networks responsible for the recruitment, brainwashing, and initial deployment of Rev. Jim Jones, of convicted mass murderer and Satan worshipper Charles Manson, and Symbionese Liberation Army "soldiers" William and Emily Harris — all former residents of that state.

An investigation of the intersection points of these four cult killers would lead through the British Fabian Society-initiated "liberal dissenters church" establishment of Indianapolis and associated pacifist and New Left groups, through a network of "free enterprise" institutions spun off the British Mont Pelerin Society and gutter-level chapters of the John Birch Society, Klan and neo-Nazi gangs, through the linguistics and related artificial-intelligence projects launched at the University of Indiana in Bloomington by the 1940s, into the executive offices of the Eli Lilly Pharmaceutical and Chemical Corporation and its associated Eli Lilly Endowment.

This is the network that picked up James Warren

Jones, the son of an Indiana leader of the Knights of the Ku Klux Klan, by no later than 1955 and shaped him into the psychopathic cultist who died in Guyana on Nov. 18. Born in the depressed industrial town of Lynn, Indiana, in 1931, Jones grew up in nearby Richmond, where he met his wife, Marceline Boswell, then a nurse trainee in a local hospital. He briefly attended the Bloomington campus of the University of Indiana in 1949 before gravitating to Indianapolis and the fringe religious sects in that city. After a short appointment as "pastor" for a downtown Indianapolis Methodist church, whose congregation asked him to leave because of his "radical" views, Jones became associated with the Pentecostals, who believe that leaders demonstrate "charisma" by "speaking in tongues," i.e., by entering a trance state and babbling incoherently. An extremist wing of the Pentecostals engages in snake-handling, and has been the subject of intensive profiling by members of the Tavistock Clinic in London and the source of numerous cult leaders, including the Rev. Kirby Hensley, founder of the multi-million-member Universal Life Church that was endorsed as a potentially valuable "Nativist Endeavor" in a recent issue of William F. Buckley's *National Review*.

## The Zionist lobby countergang

Jones's activities soon brought him to the attention of Rabbi Maurice Davis, an executive committee member of the British- and Israeli-intelligence-linked Zionist Organization of America. Davis set up Jones in his first Peoples Temple in 1955, when he sold his own synagogue to Jones for \$50,000 which was to be paid back over time, apparently on the basis of Jones's primary source of revenue at the time: the street-corner sale of imported monkeys at \$29 each.

To this day, Davis retains his 1950s function as a controller of religious cults. Presently based out of Westchester County, N.Y., Davis heads an organization called "Citizens Engaged in Reuniting Families" (CERF), which has situated itself to coordinate all parental opposition to such brainwashing cults as the Unification Church and the Hare Krishna. In fact, Rabbi Davis's anticult organizing is crucial to the maintenance of the cults themselves, and to the development of hard-core terrorist options off of the cult memberships. CERF has publicly endorsed and contracted the "deprogramming" services of Ted Patrick, who kidnaps members of the "Moonies" and other cults and subjects them to sensory deprivation, drugs, and physical torture — counterbrainwashing.

The role of such "anticultists" is a crucial aspect of British intelligence's ability to maintain control over the cults themselves. The model for this sort of operation is most clearly presented in Brig. Gen. Frank Kitson's book, *Gang-Countergang Warfare*, where Kitson describes the methods he employed to

crush the Mau Mau in Kenya. After capturing Mau Mau tribesmen whom he paraded as "defectors," Kitson organized synthetic Mau Mau gangs, putting his own men in black face, who carried out murderous raids upon villages sympathetic to the original Mau Mau aims. The net effect was to undermine the Mau Mau's base of operations, driving them into a narrow region where they could be mopped up. While in prison, Mau Mau tribesmen were subjected to intense behavior modification by teams from the Moral Rearmament Movement, that was spawned by the British "High Priesthood" of the Oxford Movement, whose agents later formed the Moonies. (For more on the Mau Mau model, see **TERRORISM**.)

Rabbi Maurice "Mau Mau" Davis performs a similar role vis-à-vis the cults today. The Moonie leaders literally portray Davis as the "Devil," raising the threat of "deprogramming" by Patrick and others to intimidate those members who want to return to reality. Through his CERF parents organization, Davis has positioned himself to control independent countermeasures against the cults and to monitor and subtly misdirect all research into the cults' origins, in much the same way that Mark Lane has done to investigations of President John F. Kennedy's assassination.

At the time that he picked up Jones, Rabbi Davis was: (1) rabbi of the Indianapolis Hebrew Congregation; (2) editorial columnist for the *National Jewish Post and Opinion*; (3) member of the Executive Committee of the Federal Council of American Rabbis and chairman of its Commission on Family and Home; and (4) member of the Executive Committee of the Zionist Organization of America. The ZOA, founded in 1898 as a branch of the World Zionist Organization by British agent Herzl, David Wolfson of MI-5 and others, is today associated with the right wing of the Zionist movement, specifically the ruling Likud Party of Israel, the Gush Emunim, and so on. It was in his capacity as chairman of the Indianapolis Housing Commission that Davis would aid Jones's career, including helping to get him selected as director of the Mayor's Human Rights Commission.

The fact of Rabbi Davis's early patronage of Jim Jones is significant from the further standpoint that it establishes an unbroken continuity of controllers actually directing the activities of Jones and his "disciples." Further investigation into the role of Davis should necessarily consider two additional features of his career that establish him as a cult controller. First is the fact that Davis spent several years in Lexington, Ky., just prior to his move to Indianapolis and his association with Jones. Lexington is the home of the largest federal experimental hospital dealing in drug abuse and behavior modification, and also an early experimental center for methadone maintenance, for which the drug was supplied by Eli Lilly Corp. Lexington Hospital proper was not only the center of LSD experimentation

during Davis's stay in the area, but one of the doctors then at Lexington, Dr. Joel Fort, was subsequently a key controller of Jones's Temple when the group was relocated to San Francisco in the 1970s. Second, Rabbi Davis presently maintains direct contact with terrorist circles associated with the Institute for Policy Studies headquartered in Washington, D.C., through his membership in the Westchester chapter of the United Farm Workers, headed by Saul Alinsky protégé, Cesar Chavez. Affiliated with this branch of the UFW is the Eastern Farm Workers Association, founded by Gino Parrenti, a known member of a nationwide gun- and drug-running underground.

## Why Jimmy Jones?

After his initial "vetting" through the local Zionist Lobby, Jimmy Jones was put in touch with his key patron-controller during this early period in Indiana, Barton Hunter, who was at the time executive secretary of the Church in Society of the Christian Church, Disciples of Christ, and is currently executive director of the Fellowship of Reconciliation (FOR). FOR was founded in 1915 on the explicit model of the year-old British Fellowship and in collaboration with Jane Addams who brought the British Settlement House movement from Oxford University to the U.S. and founded the pacifist networks affiliated with the American Friends Service Committee at this time. Among "radical" institutions that members of FOR were responsible for founding were: the National Civil Liberties Bureau (now the ACLU), the National Conference of Christians and Jews, the Committee on Racial Equality (CORE), the American Committee on Africa. FOR founder and ordained Presbyterian minister A.J. Muste also created Brookwood Labor College, both as a workingman's version of the "Rhodes Scholarship" and to funnel such Baliol College, Oxford trained British intelligence agents as James Burnham (currently, a "free enterprise conservative" with *National Review*) into the Comintern. In addition to Barton Hunter, several members of the Butler School of Religion, where Jimmy Jones was trained, play prominent roles in FOR. (3)

Indianapolis is the "Vatican" of the approximately million-member Disciples of Christ, a schism from the Presbyterian Church ostensibly organized to provide a more "democratic" forum, in reaction to the Calvinistic conception of "predestination." As one local theological authority put it: "In Indianapolis, the 'Establishment' is the Disciples of Christ." Its leadership ranges from a "conservative wing," centered on executives of the Eli Lilly Corp. and Endowment, to an "ultraliberal wing" centered on such figures as Barton Hunter. But the shared worldview of both wings of the Disciples of Christ is classical British liberalism, whether it takes the form of the "free enterprise" ideology sponsored by the

Lilly Endowment via the Heritage Foundation and other subsidiaries of Britain's Mont Pelerin Society, or that of the "welfare state" epitomized by AFSC programs.

The Lilly Endowment, which is a heavy financial source of the Disciples of Christ, was founded in 1937 by the Lilly Family, whose principal source of wealth is the Lilly Chemical and Pharmaceutical Corp. The corporation is now the sole U.S. source of methadone, an addictive drug first developed to control concentration camp victims in Nazi Germany ("dolphine") and now as a surrogate for British-style "heroin maintenance" programs. Despite its conservative image, Lilly finances both "left" and "right" sides of the British intelligence operations, including both the American Enterprise Institute, Heritage Foundation, and Freedom House, and the Maoist National Committee on United States-China Relations, Inc., Counterspy's Youth Project front, etc. (4)

In a recent interview, Barton Hunter described why he had selected Jim Jones for special grooming. "He's a real bright guy as you probably can guess," said Hunter. "An attractive person; both he and his wife were. Very sensitive. *Very aggressive ... even at this point his obvious takeover qualities were there* (emphasis added — ed.). He was the pastor in the Church, and it was 'his Church.' There was no resistance to this on the part of the people who came ... people who were hungry, people who were lonely, people who are unseen and don't know where they're going. You know, and here was a guy who said, 'This is the way'."

In short, Jimmy Jones displayed the persona of the charismatic leader whose qualities were the subject of so many studies by foundations like the Lilly Endowment at the time.

Under Barton Hunter's patronage, Jim Jones was sent to the Butler University School of Religion — the theological seminary of the Disciples of Christ funded by Lilly, two of whose board members, Burton E. Beck and Eugene N. Beesly, are also trustees of the College. It was also with the backing of Hunter and Rabbi Davis that Jones was selected in 1961 to serve for a few brief months as director of the Mayor's Commission on Human Rights. Some sources indicate that Jones was removed because he was too aggressive in pursuing racial integration; however, others have suggested that a scandal was on the verge of erupting over the various low-income housing projects that Jones and Rabbi Davis were involved with, including the transfer of Church members' homes to Jones's personal ownership.

Immediately after his "resignation," Jones took off on a two-year trek (1961-63) to Hawaii, the Belo Horizonte Valley in Brazil, and then back to Indianapolis, after a brief stopover in Guyana, the future base of his "Peoples Temple." Jones's stay in Brazil, where he ostensibly founded an orphanage

which collapsed as soon as he left, immediately preceded a military *coup d'etat* there in which various U.S. and British intelligence agencies have been implicated. It also coincided with the deployment of members of Aldous Huxley's MK-Ultra team to Brazil and other Latin American countries to study, among other things, the use of hallucinogenic drugs by the Aztecs as part of their human sacrifice rituals. On his return, Jones was ordained as a minister of the Disciples of Christ and his Peoples Temple was accepted as an affiliated church. It was also on his return that Jones first began to claim that he was a "faith healer."

## The Redwood Valley years

Jones's alleged fear of thermonuclear holocaust, which led him on this first trip and which ultimately led him to move 100 of his followers to Ukiah, California in 1965, was instilled by Barton Hunter and the pacifist organizations with which he was affiliated, notably the FOR. In 1961, the FOR launched a program to build "real shelters for homeless people." Ukiah, a secluded town in the Redwood Valley that had been the scene of earlier Huxley experiments in cultism and had been identified in a 1961 *Esquire* magazine article as one of the nine safest places in the world in the event of thermonuclear attack, provided the shelter site. Along with Jones's Peoples Temple, the tiny town of Ukiah was also the gathering point for members of the "Diggers," a San Francisco-Berkeley-based beggar cult that was a direct outgrowth of the MK-Ultra clinics, and for the West Coast branch of the War Resisters League, a British Fabian Society creation closely affiliated with both Bertrand Russell and with Jones's "mother" institution, the FOR. It was from the Diggers communes of ravaged LSD victims and like-minded circles of the War Resisters League that many of the early California recruits into the Peoples Temple were drawn and molded into a cohesive cult of zombies in the secluded "shelter" ("controlled environment") of the Redwood Valley.

During the early months in Ukiah, Hunter made regular trips from Indianapolis to maintain close watch on the developing Peoples Temple operation. A new controller, however, had already been deployed into the group who would supplant Hunter's day-to-day controller role, until Jones's deployment into Guyana. This was Tim Stoen, reported to be an "ex-CIA agent," and the Assistant Attorney for Mendocino County during the Jones cult's tenure there. Through the Stoen connection, Jones was appointed to the Mendocino County Juvenile Commission which provided a cover for recruiting approximately 50 youthful drug-runners (ages 12-16) for Jones's soon-to-be established narcotics network, under the guise of "rehabilitating" them from drug abuse. It was Tim Stoen's later "defection" to form the Concerned

Parents group, modeled on Rabbi Davis's CERF, that reportedly triggered Jones's first threat of instant suicide by 300 of his followers.

It was at the time that Stoen joined the Temple that the first public reports began to circulate of the cult's widespread use of drugs, electroshock, sodomic rape, and other bizarre practices in the "recruitment and discipline" of members. However, when two investigative reporters, Marshall Kilduff and Lester Gonsalving, both with the *San Francisco Inquirer*, attempted to follow the leads provided by a respected local Ukiah Baptist Minister, Richard Taylor, they were summarily fired.

## How the brainwashing works

The heavy introduction of drugs and perverted sexual practices to break down the individual cult member's sense of identity was a direct byproduct of Jones's integration into two subprojects of MK-Ultra, the Glide Memorial church and Project One, which were based in San Francisco where Jones and his "advisor," Stoen, traveled to recruit new cult members. Though already a practicing bisexual, Jones was bent further in that direction by a project sponsored by the Kinsey Institute (whose main offices are at the University of Indiana's Bloomington campus that Jones attended earlier) and run out of Glide Memorial. Dr. Kinsey, who founded the Institute, was a close collaborator of Aldous Huxley. Under the nominal direction of Rev. Cecil Williams, described by sources as a "less charismatic" variant of Jones, Glide was a nexus point for the New Left and counterculture established by Huxley and Margaret Mead's former husband, Gregory Bateson — joining elements of gay rights, women's liberation, and so on with support networks for such terrorist gangs as the Symbionese Liberation Army. Actual control over Cecil Williams was exercised by Ted McIlvenna, who controlled Kinsey Institute funding of projects both at Glide and the Peoples Temple. One of the projects at Glide that the Kinsey Institute sponsored, and that Jones is known to have participated in, was the National Sex and Drug Forum, whose report released two years ago concluded that everyone was a homosexual! Another Glide-based program was the Council on Religion and Homosexuality. Although never himself known to have been associated with Kinsey Institute projects at Glide personally, the "gay" networks created at Glide are known to have supported the electoral campaign of Harvey Milk, who was recently murdered in the aftermath of the Peoples Temple mass suicides (5)

Little is as yet known of early drug use — an essential aspect of the brainwashing control of most cults — by members of the Peoples Temple, although Jones's association with various projects financed by the Eli Lilly Endowment, a fortune built by one of the

country's largest drug manufacturers, is certainly suggestive. The first documented evidence of the cult's involvement with drugs is found via Jones's association with Project One, a heavily funded behavior modification factory run by Dr. Joel Fort and former Air Force Intelligence operative Captain H. Bruce Franklin in the heart of San Francisco's hippie Fillmore District. Fort was a leading member of Huxley's MK-Ultra team to produce the rock-drug counterculture. Drawing on his early experiments at Lexington Hospital, Fort coauthored *Utopiates*, a book on LSD-25 that was published by the Tavistock Clinic in London, where much of the early planning for MK-Ultra took place. Project One was funded in part by the Transamerica Corp., which owns United Artist Studios and includes as its corporate vice-president William Jones, a member of the Order of St. John of Jerusalem.

Inside Project One, a large converted warehouse, Fort ran a drug clinic (methadone supplied by Eli Lilly), a paramilitary training center, a behavior modification clinic, a computer that maintained psychological profiles of local politicians, counterculture freaks, potential terrorists, etc., and an "Opportunity High School." An estimated 75 percent of the students at the high school, where Jones taught, were recruited into his Peoples Temple; an equal percentage of those recruited traveled with Jones to Guyana in 1977.

Glide Memorial and Project One were each "chosen" by the SLA to carry out its "free food" distribution program. Their connection with the SLA went much deeper. Capt. H. Bruce Franklin, who worked with Fort at Project One, was also a close associate of Rand Corporation research director Daniel Ellsberg and MIT linguistics brainwasher Noam Chomsky, who is now openly allied with the Black Rose anarchist-terrorist networks in Canada. Franklin was a founder of such Bay Area terrorist groups as the SLA, the Venceremos Brigade, and the Maoist Revolutionary Union (now the Revolutionary Communist Party). As a controlling figure in the Haight-Ashbury Glide Memorial Church, which served as a deployment point for the entire array of drug cults in the area, Franklin was instrumental in building up Jones as a frequent "guest speaker" and leading figure in the ghetto and LSD culture.

In 1971 the entirety of the Peoples Temple followers were moved from Ukiah to San Francisco, in a parallel to the current, more violent replay of the Isis myth of cult members moving from the countryside to destroy the cities. Appropriately, the site purchased for the new Temple was formerly known as the Albert Pike Memorial Temple in commemoration of General Albert Pike, a founder of the Ku Klux Klan, together with Judah Benjamin and Dr. Kuttner Baruch (the latter two also cofounders of the B'nai B'rith) and a key agent under Lord Palmerston in the explicitly satanic Scottish Rite of Freemasonry with Mazzini

(the founder of the Mafia) and such leaders of the 1848 "revolutions" in Europe as Louis Blanc, Garibaldi, and Kossuth. Through this act, the story of Jones's life came full circle; it was the Northwest branch of this conspiracy that created the KKK in Indiana, a center for both the immediate predecessor of the Klan, the Knights of the Golden Circle, and of the Klan's 1920s revival by two agents of the Red Cross-Knights of Malta — of which Jones's father was a member. (6)

It was Jones's position at the center of San Francisco's growing pool of drug and ghetto zombies manufactured by MK-Ultra that attracted local mayoral candidate George Moscone, California Governor Jerry Brown, and Vice-Presidential candidate Walter Mondale to Rev. Jones. He was billed as a man who could deliver 2,000 bodies on a moment's notice to any political rally, and mobilize the over 20,000 people by then affiliated with the Temple to vote for any candidate of his choosing. Following Walter Mondale's infamous advice to "vote early and vote often," Jones's goon squads were made available to the Democratic Party for its 1976 "Operation Big Vote Fraud" that was credited, among other things, with swinging the election for Moscone. When pressure mounted for a full investigation, Peoples Temple attorney Tim Stoen was brought in to cover up the crime from his new position as assistant district attorney for the county. Jones personally was awarded a seat on the San Francisco Housing Authority.

It was also shortly after the Temple's move into San Francisco that Jones began to contact the Guyanese government to explore opening a settlement there. Armed with letters of introduction from Mondale, Brown, Moscone, and other Democratic Party officials, Jones's Peoples Temple was considered an ideal candidate under a new "black" immigration program established by the Guyanese government called Operation MIREV. After 20 Temple members visited the country in 1973, arrangements were made for the lease of 27,000 acres for the founding of "Jonestown" near Guyana's border with Venezuela.

In 1977 the first major steps were taken to trigger Jones's paranoid schizophrenic personality when Tim Stoen dropped out to form the Concerned Parents group, taking Jones to court for control of a child whose paternity was in question. According to Charles Garry, a former attorney for Angela Davis, the CPUSA leader closely associated with H. Bruce Franklin and Huxley associate Herbert Marcuse, Jones threatened to have 300 cult members commit suicide on the spot if Stoen pursued his law suit. Also in 1977, British publisher Rupert Murdoch printed a major piece on the Peoples Temple in his *New West* magazine, designed to further trigger Jones's paranoia. It was this piece which also launched Congressman Ryan's fatal investigation into conditions in Jonestown.

— Scott Thompson

## Notes

- (1) The existence of the three trawlers off the coast of Jonestown has been reported by AP, UPI, *New York Times*, *New York Post*, and other press throughout their coverage of the mass suicides by members of the Peoples Temple.
- (2) Extensive coverage of the Alinsky Institute and Saul Alinsky's Industrial Areas Foundation can be found in *New Solidarity* from spring 1973 to fall 1974. Among other connections between Alinsky and The East is the fact that a protégé of Alinsky, Ron Karenga, developed the seven-headed cobra symbol which was adopted by the Symbionese Liberation Army, and by Imamu Baraka while at the Institute. The Cobra symbol is a direct reference to the Egyptian cult of Isis. Les Campbell (aka Jitu Weusi), the head of The East, also picked up this symbology while working with Baraka.
- (3) "The Fellowship's Statement of Purpose," *Fellowship*, September 1965. "History of the Fellowship" (pamphlet). "Walk to Begin January 31", *WRL News*, Number 191, Nov.-Dec., 1975. Interview with Barton Hunter, executive director of the Fellowship of Reconciliation.
- (4) Lilly Endowment funding of the Disciples of Christ Church, the Butler School of Religion, and both "left" and "right" groups is documented in: *The Foundation Center, The Foundation Grants Index*, Columbia University Press, 1976, 1977, 1978.
- (5) Information on the role of the Kinsey Institute was obtained from direct interviews with Ted McIlvenna, who oversaw project funding to Glide Memorial Church and the Peoples Temple, and with three former associates of the Kinsey Institute's Sex and Drug Forum at Glide Memorial.
- (6) Goldstein, Paul, "How Zionists orchestrate KKK terror," *Executive Intelligence Review*, Oct. 10-16, 1978, Vol. V, No. 39.

# Cultism's roots in MK-Ultra

The immediate source for the Port Kaituma mass murder-suicide can be partially traced to a recent closed-door meeting of the Aspen Institute for Humanistic Studies in West Berlin, at which Rand Corporation terrorist controller Brian Jenkins gave a five-hour presentation on coming terrorist scenarios. The Jenkins scenario, which emphasized the time-bomb quality of cults as sources of terrorism, was given *just prior* to the bloodbath carried out by Rev. Jimmy Jones's Peoples Temple in Guyana.

The Rand connection, along with the appearance of Dr. Joel Fort, lawyer Mark Lane, and the Glide Memorial Church of Berkeley, California in the dossier on Rev. Jimmy Jones confirms, in shorthand, that Jones's death cult is the offspring of British intelligence's 50-year campaign in the United States to create cult formations among the general population through the use of drugs and Dionysian rituals.

In official channels, the British Secret Intelligence Services' experiment was run under former CIA Director Allen Dulles, and conducted through the Central Intelligence Agency, under the codename MK-Ultra. The project, first named Operation Bluebird in 1949, then Operation Artichoke, and renamed MK-Ultra in 1953 under direct orders from Dulles, studied the application of LSD, psilocybin (hallucinogenic mushrooms), peyote, and other hallucinogens in mind-control and brainwashing techniques. The early phases involved the administration of hallucinogens to volunteers in university, hospital, and mental institution settings. By 1963, it was openly stated in a CIA document that "the final phase of testing MK-Ultra materials involves their application to unwitting subjects in normal life settings," a phase which began on the U.S. West Coast in 1955, and which by the late 1960s had created thousands of counterculture followers of the cult of LSD and other hallucinogens, aided by the importation and mass marketing of British ritualistic rock music.

Although MK-Ultra was a CIA black operation nominally under the control of Dulles, it was in reality a British intelligence operation run into the United States under the cover of the CIA and the Rand Corporation. Furthermore, the presence of the Office of Naval Intelligence and Air Force Intelligence in the original Operation Artichoke and MK-Ultra task force, and the subsequent importance of trained operatives of ONI and Air Force Intelligence in the creation of U.S.-based terrorist cults, points to heavy contamination of these agencies in particular by British SIS.

## The British priesthood

The three British intelligence agents heading up MK-Ultra as research directors from 1952 on were Aldous Huxley, Albert Hoffman of the Warburg-owned Sandoz drug firm (where Hoffman first synthesized LSD in 1943), and Humphrey Osmond, a close Huxley family friend and physician based at the University of London Hospital where he studied schizophrenia.

The key American researcher complicit with Huxley, Hoffman, and Osmond was Gregory Bateson, husband of the late Dame Margaret Mead of the Order of St. John of Jerusalem. Bateson headed a Veterans Hospital in Palo Alto, California where he aided in criminal experiments administering LSD to patients in the hospital. Bateson is currently a special advisor to California's Governor Jerry Brown — the politician with whom Reverend Jimmy Jones maintained a close relationship for many years.

Huxley was not merely the ranking British intelligence officer in the MK-Ultra infiltration project, but he was literally a high priest of the drug cult that grew out of the California experiments. Aldous Huxley, along with his brother Julian, was tutored at Oxford University, England in the 1920s by futurist H.G.

Wells, head of British foreign intelligence during World War I. Wells's writings and those of his protégés the Huxleys and George Orwell, such as *The Time Machine*, *Brave New World*, *1984* and *Animal Farm*, spelled out in fictional form the mind-control that MK-Ultra was later to implement.

In 1929, under the influence of occultist Aleister Crowley, Aldous Huxley was initiated into the Isis-Urania Temple of Hermetic Students of the Golden Dawn, a secret cult tracing back to the Scottish Rites of the Freemasons and run directly out of the British Colonial Office. At the same time, Crowley introduced Huxley to hallucinogenic drugs.

From 1937 to 1945, Huxley lived in California where he worked as a Hollywood scriptwriter along with Christopher Isherwood and other British operatives. Isherwood had been a British intelligence agent stationed in Weimar Berlin through the 1920s, specializing in cultural subversion projects. During this period, Huxley and Isherwood organized cults around the Isis Temple of the Golden Dawn and the translation of Eastern mystical documents. Preliminary investigations suggest that one of the centers of Isis cult activity founded by the Huxley team in 1937-1945 was Ukia, Cal. — later the West Coast center of Jones' Peoples Temple.

Huxley's critical training occurred in Britain from 1945 to 1952 when, in tandem with the British Psychological Warfare Division (then centered at the London Tavistock Institute), he organized a study group at the London National Hospital with Osmond on inducing schizophrenic states through the taking of mescaline.

Subsequently, Osmond was hired by Allen Dulles to play a leading role in the MK-Ultra project. In 1953, in the U.S., Osmond gave Huxley a supply of mescaline for his personal consumption. The next year, as the result of his psychedelic experience, Huxley wrote *The Doors of Perception*, the first public manifesto of the drug cult, advocating "expanded consciousness through hallucinogens."

## U.S. drug networks in place

By 1954, MK-Ultra was fully operational. Dr. Timothy Leary was already conducting LSD experiments at Harvard University. Hoffman had been brought to the United States for continued MK-Ultra work. And Huxley returned to California where he recruited his 1937-45 associates Bateson and Alan Watts, who later became a propagandist for study of Eastern religions. Osmond, meanwhile, was stationed at the New Jersey Neuro-Psychiatric Institute in Princeton, N.J., conducting experiments on the effects of LSD in schizophrenia.

In 1960, as MK-Ultra entered its "final phases," Huxley was appointed Visiting Professor at the Massachusetts Institute of Technology in Boston. There he created a circle paralleling his West Coast

LSD team, including Leary and associate Richard Alpert, who later became "guru" Baba Ram Das. This circle created a following of thousands of LSD veterans who were then deployed to proselytize for drugs.

One direct result of the Huxley Harvard operation was the International Federation for Internal Freedom Psychedelic Training Center in Zihuatenejo, Mexico, set up and headed by Leary in 1963. Zihuatenejo, an isolated Mexican resort town, was the site for a two-year project involving 500 people — chosen, according to Leary, out of over 5,000 applicants. The objective of Zihuatenejo was to train psychologists and other professionals, religious leaders, teachers, etc. in the values of psychedelic drug use. The center administered LSD to residents several times a week, conducting group sessions based on the Boston work of Leary and Alpert, the writings of Huxley, and particularly Leary's translation of the Tibetan Book of the Dead. The Tibetan sacred book was to be read by participants before taking the LSD, then read aloud by another person as the subject sank into a schizophrenic state.

Indeed, the death experience attitude was a central consideration of the center's profiling. After an LSD experience, one group showed that: "Some now felt convinced that there is no death, that life is really continuous despite physical change. Death to them now seems simply continuation toward the mystical goal of oneness with God. . . . Associated with lessened anxiety, greater acceptance of death. . ." (Richard Blum and associates *Utopiates*, London: Tavistock Publications, 1965).

The names of the participants in the Zihuatenejo project have never been made public although they included clinical psychologists, ministers, teachers, and businessmen. In 1963, during the second year of its operation, the center was closed by Mexican authorities.

It is known that the Mexican project was one feature of the "private," i.e., nongovernmental, side of MK-Ultra. The above-cited 1965 Tavistock Institute report also featured reports by Timothy Leary, Richard Alpert, and San Francisco's Dr. Joel Fort, who has already been identified as a principal figure in the creation of Jones's Peoples Temple.

Simultaneously, the Rand Corporation, home of present-day terrorist specialist Brian Jenkins, was conducting a "medically oriented" experiment in LSD. According to a 1962 Rand Abstract, W.H. McGlothlin conducted a preparatory study on the "Longlasting Effects of LSD on Certain Attitudes in Normals: An Experimental Proposal." The following year, McGlothlin conducted a year-long experiment with 30 human guinea pigs, called "Short-Term Effects of LSD on Anxiety, Attitudes and Performance." The study incredibly concluded that LSD improved emotional attitudes and helped resolve anxiety!

Also in California, the guinea pigs at Bateson's Palo Alto Veterans Hospital were being groomed as future leaders of the drugged Isis cult. Foremost among Bateson's recruits was Ken Kesey who received his first LSD dose from Bateson in 1959. Other "subjects" included Jerry Garcia, later the founder of the Grateful Dead rock band. Another outstanding member of the Grateful Dead is the son of Wharton School professor Eric Trist, the leading Tavistock Institute operative in the United States and a principal controller of the MOVE black terrorist gang that recently staged a gun battle with Philadelphia police.

Much of the LSD used to build the Isis counter-culture cult in the Haight-Asbury section of San Francisco found its way into the streets from MK-Ultra channels. In 1963, when Leary left Harvard, the Leary LSD operations were funded principally by Billy Mellon Hitchcock. Hitchcock's contributions to Leary were paid out through a British West Indies conduit known as the Fiduciary Trust — a wholly controlled subsidiary of the Investors' Overseas Service, which is and was an Israeli dirty-money operation co-ordinated on the U.S. side through the New York holding company, the Dreyfuss Corporation. Hitchcock, an heir to the Mellon banking family of Pittsburgh, not only funded Leary's pet projects, but financed Leary's Brotherhood of Eternal Love as a major hashish marketing and LSD manufacturing operation which was based, like Jones's Peoples Temple, in California and the Caribbean.

In 1968, Leary, Ken Kesey, Alan Watts, and homosexual poet Allen Ginsberg from New York organized the so-called Summer of Love. This nationwide Dionysian celebration provided the context for a massive infusion of drugs into every part of the USA which left thousands of youth ravaged by their first experiences with addictive and hallucinogenic chemicals. To service the psychological disorders and human misery resulting from the drug epidemic, institutions such as the Haight-Ashbury Free Medical Clinic were created. Today, these clinics serve as centers for the movement to decriminalize "recreational" drugs, and as recruiting centers for cult outfits such as the Glide Memorial Church and Jones's People's Temple.

Dr. Joel Fort's Project One mental health clinic in San Francisco was part of the network of clinics set up to service the growing number of youth who quickly went from marijuana and an occasional hallucinogenic trip to hard-core heroin addiction and psychosis.

— Michelle Steinberg

## The media cultists

Even in the atmosphere of untrammelled sensationalism that followed the Jones cult mass suicide, Rupert Murdoch's *New York Post* managed to sink lower than even the orgy-of-death-peddling competition. "Deathcults on the warpath"; "Death in the jungle"; "Slain aide knew he'd be killed" ran each day's banner headlines. For political impact, Murdoch, a protégé of British press peer Lord Beaverbrook, went page one with a story of extremely dubious vintage headed "Jones cult planned to move to Russia," a story relegated by most of Murdoch's yellow-journal competitors to the back pages.

A *Post* editorial enjoined "Stop the evil." But the *Post* continues to act as evil's propagandist. Murdoch's lurid brand of journalism was brought to New York not to make money (as our last issue revealed, it's already lost Murdoch \$18 million on a newspaper that cost him \$30 million in the first place) but to act as the media supporter of the Big MAC operation, whose cannibalistic practices usually go under the euphemism of "austerity."

Another media star that thinks cultism is good business is NBC, which this year has become the National Broadcaster of Cults. Long before the Jonestown events, NBC was popularizing cult beliefs. For example, its widely touted "Holo-caust" series fulfilled the Zionist lobby propaganda requirements for instilling necrophiliac paranoia in U.S. and Israeli citizens.

Rev. Jones got what he wanted by getting people to lose their grip on reality. NBC is looking to do the same with the whole United States. Even before the Jones blowout, NBC undertook a comprehensive series on such U.S. brainwashees as Synanon and the Hare Krishnas, to inculcate the line that "the future of the world is in the hands of the cults." Now it has announced a new bombshell, "Masada," about 900-plus Jews who, rather than fall into the hands of Roman legionaires, killed themselves en masse.

But does cultism pay? Murdoch and NBC may find there's "room for one more" in the Kool-aid set. Murdoch has been losing so much money on the *Post* that last week he was forced to cancel the recently inaugurated Sunday edition, after his planned New York morning tabloid, the *Sun*, failed to get off the drawing boards. And also last week, NBC canceled half its weekly programming after a grim look at the ratings.

# Kennedy's hospice movement: 'death with dignity' for all

*Odell Rhodes, an eyewitness to the Jonestown mass suicide, presented a chilling picture to NBC reporters and a nationwide television audience on Nov. 25. According to Rhodes, as hundreds of people were seized by convulsions a grim Rev. Jim Jones intoned over the compound's public address system, "Die with dignity."*

*Just seven weeks before, a closed-door session was held in Washington, D.C. under the sponsorship of the National Hospice Organization on the same "die with dignity" theme. But the speakers were Senator Edward Kennedy, HEW Secretary Joseph Califano, and a host of other dignitaries.*

*The Oct. 5 gathering marked the end of a year-long campaign by the Order of St. John of Jerusalem to introduce the British hospice movement into the USA, a movement that traces back to the 11th century death clinics for the terminally ill founded by the Order at its Cyprus and Rhodes fortresses. With well-manicured phrases like "the right to die," "living wills," and "death with dignity," the Order has taken public leadership of a movement to make the death-cultism of a Jonestown the norm for America. "Concern for the dying" is the pretext to force not only acceptance and even embrace of death, but the corollaries of mind-killing drug use and the destruction of modern health care and all other forms of hated technology.*

*The Order of St. John itself, is not a fringe cult like the Rev. Jones's Temple. On the contrary. The Most Venerable Military and Hospitaller Order of St. John of Jerusalem is the most prestigious "secret" organization of the oligarchy of Western Europe. Its members include the most prominent London merchant bankers who stand behind the World Bank-International Monetary Fund policy of narcotics as a Third World cash export crop, top officials of British and*

*Canadian intelligence services, and the leading allies of British policy in the United States.*

*In its Oct. 6 edition, New Solidarity printed an exposé of the hospice movement, particularly Ted Kennedy's role in furthering it, that warned that the movement's death-idolatry would go into high gear soon after the November elections. We reprint that exposé here.*

On Oct. 5 in Washington, D.C., Sen. Edward Kennedy and HEW Secretary Joseph Califano, among others, will address the First Annual National Hospice Organization Meeting to kick off a nationwide campaign to create a death cult in America.

The hospice movement, which traces its origins directly to the 11th century clinics for the terminally ill of the Order of St. John of Jerusalem, prescribes the following program of health care for Americans: widespread use of hard pain-killing drugs such as heroin and cocaine; destruction of advanced medical life-preserving practices and research; and acceptance of euthanasia as the first step toward generalized genocide against the elderly, the seriously ill, and other "useless eaters."

In the next month the American population will be inundated by over 100 newly released books focusing on the subject of "death with dignity." This philosophy of death is aimed at subverting the American commitment to constantly upgrading the conditions of life through scientific and technological progress and, instead, conditioning the population to accept genocide against "marginal" layers of U.S. citizens.

Under the cover of advancing a new treatment for terminally ill patients experiencing constant pain, the hospice movement plays an active part in the campaign to proliferate drugs in America. Operating through organizations like the National Committee on the Treatment of Intractable Pain (NCTIP), the

hospice movement has hooked up with drug lobbies like the National Organization for the Reform of Marijuana Laws (NORML) to weaken U.S. drug laws and legalize drugs such as marijuana, heroin, cocaine, and LSD for "medical purposes."

The political center of this movement in the U.S. however, is Sen. Edward Kennedy and his political machine. Through the combination of his criminal code reform (S1437) and his national health-care bill, Kennedy has incorporated every basic tenet of the hospice movement into his proposed legislation.

## The new cult of Isis

The hospice movement's glorification of death marks it as the present-day heir to the ancient Egyptian cult of Isis and Osiris. The Egyptian cult drew its members together on the basis of a celebration of death and a death oath against the city-builder faction in Egypt.

The leading ideologue for the revival of this ancient death cult today is Sandol Stoddard, author of *The Hospice Movement: A Better Way of Caring for the Dying*.

The central idea behind the programs of the hospice movement is that the experience of dying should be the focus of attention for the living, and that all living people, including children, should experience some facet of death in the most primitive and "direct" fashion in order to live a more gratifying life. According to Stoddard, America is a "death-denying society." "The hospice concept is the realization that our entire planet has now become one village seeking to be healed," she writes. "With the hospice concept in our culture, many of us may discover that we are learning from the sick how to be well again, and from the dying how to live."

Stoddard and the other creators of this new cult of Isis have developed a complete brainwashing program for inculcating death worship in society, starting with the family of a terminally ill patient. The family is led through a series of counseling sessions, including "comfort control" for the ill, patient and family education and support, total hospice care during the dying process itself and bereavement counseling. Exemplary of the "counseling" practiced by the hospice brainwashers is encouraging young children to adjust to the loss of a loved one by getting into bed with the deceased to express his final farewell. The St. Francis Burial and Counseling Society, Inc., in Washington, D.C., one of the counseling organizations involved in the hospice movement, also suggests that a person buy "a simple casket and use it for other purposes before its final service."

Certain "Christians" are reworking theology to support the cult of death and hospices, and to edge towards acceptance of euthanasia. The March 1978 issue of the *U.S. Catholic* was devoted to this question, noting that "most Christian moralists" agree with

rephrasing the fifth commandment to "Thou shalt not kill, yet need not strive officiously to keep alive."

Nurses employed at hospices are instructed to get "personally involved" with their dying patients by hugging and caressing them. In one proposed hospice facility planned for Connecticut, the nurses and staff will be provided with a carpeted, windowless room called the "screaming room" where the staff can "cool the psyche," in the words of the architect.

Beneath its veneer of concern for the agonies of the dying, the purpose of the hospice is to undermine any and all advanced technological application to medical practice, medical science, and society as a whole. Stoddard states this clearly:

"The hospice teaches a new attitude," explained Dr. Liegner, "with the realization and conscious acceptance of dying and death as part of being born and part of the struggle of life." If the dying patient can be perceived first as a person, and as an individual accomplishing an important part of

## Building a 'grass-

*From Victor and Rosemary Zorza's column in the New York Post of Oct. 19:*

Some politicians believe that a new grass-roots movement is taking shape in the United States, comparable in some ways to the great movements for civil rights and against the Vietnam War. The comparison was made by Sen. Edward M. Kennedy (D-Mass.) when he addressed the first national convention of the hospice movement in Washington last week — and some of his views were echoed from the other side of the political fence by Sen. Bob Dole (R-Kan.).

What is it about hospice that can stir people's emotions to the point at which two such disparate politicians feel moved to declare their commitment to the idea and to pledge their support of the movement?

The hospice groups now springing up around the country are responding to one of the deepest needs in all of us — the need to feel that when our time to die comes, we will be able to do so in conditions that reduce the physical suffering and the spiritual anguish to the minimum. In the hospice setting, the dying patient can even feel "happy" at the way a previously dreaded experience turns out to hold no terror — as our own daughter told us she was happy when she was dying in a hospice last year....

One man who visited a patient of the New Haven (Conn.) hospice recently has come away a different person because of the experience. The two talked for a few moments, and the visitor realized that the cancer patient, a man of nearly 70, felt more

a full life-cycle, then care givers can concentrate upon giving what is really needed in the situation. They can actively prevent the interference of mindless technological tricks, and can instead provide surcease from physical and emotional pain. They can offer, instead of mechanical resuscitation, a hospitable place in which the personal and spiritual growth of the individual can continue during the process of dying."

Stoddard compares modern, advanced hospital care to a war zone where patients are prisoners of life-sustaining equipment:

"There is a mystique about this war against death that makes us turn our heads away from those who are hopelessly, incurably ill; and also from those who are quite consciously ready to die. These are the ones who disturb our picture of the way things ought to be. From hospes (Latin for host, guest — ed.) to hospital, the psychology has changed from one of love to one of war, and in the

psychology of war, force is imperative. Therefore we arrive at the strange, new embrace that pins the inert body of a man or woman, terminally ill, to a machine which forces that person's body to breathe without even knowing its name."

And Stoddard lashes out at advanced industrial society's "alienation" of the individual:

"The new unit of society was economic man. The purpose of hospitals in an industrial society is to mend machine tools, or to lock up separately those such as orphans, the insane, or the contagious, who may prove useful at some later date: hospitals as storage bins for society's spare parts . . . human life is only a machine."

Purporting to characterize industrial society's view of man, Stoddard reveals her own ideology.

The model for American hospices is St. Christopher's Hospice in London. Established in 1967, St. Christopher's was the first "modern" hospice to incorporate all of the psychological warfare techniques developed by the Tavistock Institute during World War II. However, the history of hospices goes back to the 11th century, when the Poor Brothers of the Hospital of St. John organized the first hospice on the island of Cyprus.

The Hospitallers, later the Order of St. John of Jerusalem, moved to the island of Rhodes, where they set up one of the largest hospices in existence. There, for the first time, "patients with incurable diseases were separated from all others." To this day, the Knights of St. John control and deploy the hospice movement.

From the beginning, the Knights specialized in the use of "potions" and elixirs to "ease the pain" of their patients — and enemies — permanently. Today one of the major objectives of the hospice movement is to increase drug use and replace technology-oriented medicine with drug taking. One of the Order's major evil contributions is the so-called Brompton Mix, which was developed at St. Christopher's in 1967. The mix is administered every three or four hours, day and night, until the patient dies.

## Death camps with lace curtains

Who is pushing the "die with dignity" cult?

**SENATOR EDWARD KENNEDY** is the key promoter for implementing IMF austerity conditions in the U.S., exemplified in all of his proposed legislation:

- Author of Senate Bill S.1437, which proposes to rewrite the entirety of U.S. criminal codes, calls for the decriminalization of marijuana, and a reduction in the penalties for possession and sale of other controlled substances.

- As initiator of Project 87, along with the Brookings Institution, Kennedy has decided that the "Constitution has outlived its usefulness" and is organizing the re-writing of the U.S. Constitution.

- Kennedy's proposed National Health Bill is designed to dismantle America's advanced medical system and

## roots movement'

comfortable about the conversation than he did. "He had come to terms with the idea of dying," the visitor recalls. "I had not. I was 47 years old, and I had never come really close to someone who was dying."

That visit will have momentous consequences, for the visitor was Joseph Califano, secretary of health, education and welfare, who has since instructed his staff to devise a number of steps to ease the progress of the hospice movement, pending the more elaborate measures that can only be taken after more detailed study and legislation. The visit, Califano says, made him realize that he had been shielded from the idea of dying, that he was the product of an "enlightened" society that had banished the idea of death....

Califano's visit helped him to break the taboo. It was an intensely personal experience, but the result of it — coupled with an HEW study — will enable the bureaucracy to waive some of the restrictions on fees paid by Medicare and Medicaid for hospice care.

But that is only a small beginning. Califano was deeply impressed by the spontaneity and enthusiasm he found in the hospice movement, and he is concerned about the danger of upsetting the delicate mechanism of private and voluntary effort by federal intervention. "Our challenge is to nourish this movement," he says, "not to force-feed it."

It will be up to the Congress to decide what constitutes adequate nourishment. This is where the pledges of such men as Kennedy and Dole assume a particular importance....

replace hospitals with hospices based on cost cutting, and stresses out-patient care.

- His proposed Pharmaceutical Bill, working in conjunction with the National Institute on Drug Abuse, advocates the creation of a special center to study heroin, LSD and other controlled substances for the possible use of these drugs for medicinal purposes.
- Kennedy openly endorses the hospice movement and will deliver a keynote address, "Hospice Care in the U.S. Health Delivery System," at the First Annual National Hospice Organization meeting in Washington, D.C. Oct. 5.
- The Joseph and Rose Kennedy Institute for the Study of Human Reproduction and Bioethics at Georgetown University, providing tax-exempt support for Senator Kennedy's death-dealing "health care" proposals, stands squarely behind the hospice movement. Director Dr. André Hellegers noted that Sen. Ted Kennedy felt "Congress was disenchanted with the way health care costs had gone so high. . . . Congress was less interested in massively financing basic research, but more interested in applied research that brings down health care costs." This, Hellegers stated, made him think "the public as a whole has to realize that as you approach the end of the genetic life span, not dying from one cause makes you die of another cause. . . . If you believe as I do that eternal life is more the product of the clergy than a function of physicians, you had better consider how you would like to pass from the here-and-now to the hereafter and what it will cost in kind and suffering."

**JOSEPH CALIFANO**, Secretary of Health, Education and Welfare, is the chief implementor of austerity measures working within the Federal government:

- As Special Assistant to the President on Domestic Affairs under President Johnson, Califano played a leading role in the Appalachian Regional Planning Commission which implemented labor-intensive work projects throughout the area.
- Califano is actively coordinating with Hospice, Inc. in New Haven to review HEW standards for Medicaid and Medicare so that these programs cover hospice treatment. Recently, Califano granted one million dollars to Hospice, Inc. to "prove a justifiable case for the therapeutic advantages of heroin."
- Califano will also attend and address the National Hospice Organization meeting in Washington, D.C. Oct. 5.

**DR. ELIZABETH KUBLER-ROSS**, chairman of the Hospice National Advisory Council since its inception

in 1971, is the key spokesman for death cult ideology:

- She was trained by the U.S. wartime intelligence organization OSS in military systems analysis and population control.
- As director of psychiatry at the University of Chicago's Billings Hospital in 1969, Ross set up the first seminars with terminally ill patients which later became the subject for the first major book based on "death with dignity."
- Ross's book *Death and Dying* espouses the line that Americans deny the reality of death and are less advanced than Samoans and Alaskan peasants who accept death scientifically, with *acceptance and resignation*.
- Ross has recruited over 75 hospice teams ready to disperse throughout the country to organize for the death cult. After the October hospice meeting, Ross will begin a massive recruitment campaign, touring the country to promote her book.

**DR. NORMAN ZINBERG**, a long-time advocate of the "nonabusive effects" of marijuana, heroin, LSD, has published 67 studies on drugs:

- As a consultant to the Department of Defense, Zinberg played a leading role in flooding Vietnam with drugs, through his profiles of drug use among demoralized American soldiers.
- He is a founding member both of NORML and the NCTIP, groups which advocate the use of drugs for medical purposes. NORML is lobbying for legalized personal possession and use of drugs.
- Zinberg has played a leading role in the Drug Abuse Council since 1975 and has endorsed the Office of Drug Abuse's call for the decriminalization of all drugs for "further scientific study."

The Oct. 5 national hospice conference will provide the movement's leaders with a critically important reading of just how widespread is the support for "living with death" in the United States. Indications are, however, that the movement will continue a fairly low profile until after the November elections. At that point, nothing will stand in the way of the "grim reapers" proceeding with a national campaign to introduce bills into state legislatures endorsing "alternative" hospice treatment plans for the aged and terminally ill, bills to legalize hard drugs for medical purposes, and bills to extend Medicaid and Medicare benefits to cover hospice care.

— Karen Steinherz  
Marie Mendez

# Cult politics take over: the California case

*Dionysus is loose in California. I'm proud to be here. The state's not putting anybody to sleep. . . . This must put the SLA to shame, they could never accomplish what Jimmy Jones did . . . I didn't know Jimmy Jones personally, but many of my crowd are saying good things about him, and about many of the things he was doing. . . . Charlie Manson, of course, was using our tools and techniques from the Merry Prankster days.*

These are not the ramblings of some spaced-out zombie in the backwoods of California. They are the comments of Stewart Brand, a top advisor to California Governor Jerry Brown, on the Guyana massacre and the Moscone-Milk murders, in an interview immediately following these events.

Stewart Brand is not only the founder of *The Whole Earth Catalogue*, the Sears catalogue of the counterculture, which members of Jim Jones's Peoples Temple carried in their luggage when they left for Guyana; he is an official advisor to California's Governor Jerry Brown. As Brand's comment illustrates, the mass suicide of the California-based cult and the brutal murders on Nov. 27 of San Francisco Mayor George Moscone and City Supervisor Harvey Milk are no coincidence. They are the conscious result of a 40-year operation to turn California into a state run on the social-control principles laid out in Aldous Huxley's *Brave New World*. That operation was directed primarily through the MK-Ultra experiment in the use of hallucinogenic drugs in mind-control and brainwashing. The final phase of that operation was the creation of a mass countercultural movement of LSD cults of rock music and ritualistic death, described in recent FOIA documents as the "testing of MK-Ultra materials . . . on unwitting subjects in normal life settings." By the late 1960s, spread by the

infamous "Merry Pranksters" operations of Ken Kesey and others, it had destroyed thousands and thousands of America's youth.

With the establishment of cultist Jerry Brown as the governor of California, MK-Ultra became the government of California. Brown's leading advisors are the leaders of the Kennedy-linked support operations for the development of the counterculture, and his government and personal friends include top operatives of MK-Ultra and associated networks. They include:

**GREGORY BATESON:** controller of the initiating MK-Ultra experiments at the Palo Alto, Calif. Veterans Administration Hospital from 1950-1962. Bateson is a Cambridge University-trained "anthropologist," friend of Huxley's from the 1920s, for 15 years husband of the late Margaret Mead, and a regional ethnology specialist in the Office of Strategic Services from 1944 to 1947. Bateson was the personal psychiatrist of Alan Watts, Buddhist guru and founder, with Huxley, of the Esalen Institute. In the 1950s, Bateson became spiritual leader and drug supplier for a group of young artists gathered through Stanford University, the Palo Alto VA Hospital, and California School of Fine Arts in San Francisco. This group became the original Merry Pranksters. Bateson addressed Jerry Brown's State Prayer Breakfast in 1976 on the subject of peyote. He is currently a Brown appointee to the California State Board of Regents and a Scholar in Residence at the Esalen Institute.

**STEWART BRAND:** an original Merry Prankster, recruited by Bateson, publisher and editor of *The Whole Earth Catalogue* and its successor *CoEvolution Quarterly*. Brand is an official "special consultant" to Brown, who Brand recently described in print as "in effect . . . a contributing editor for *CoEvolution Quarterly*, at no pay."

**KEN KESEY:** leader of the Merry Pranksters and orchestrator of the so-called "Electric Kool-Aid Acid Test." Kesey, a former jailbird, was invited by Brown in October 1977 to address the governor's staff on the subject of police practices.

**SIM VAN DER RYN:** key provocateur of Berkeley's "People's Park" riots; technical advisor to Brand's *CQ*; protégé of Buckminster Fuller, founder of the Farralones Institute, a West Coast think tank specializing in solar energy research. Van der Ryn met Brown at the San Francisco Zen Center; he was appointed the California State Architect and head of the Brown-created State Department of Appropriate Technologies.

**THEODORA KROEBER-QUINN:** British-trained anthropologist, close friend of Bateson's, author of *Ishi in Two Worlds*, a cult anthropology book which develops themes originating in *Brave New World*. Appointed by Brown to the State Board of Regents.

**ZENTATSU BAKER-ROSHI:** Zen "priest," head of the San Francisco Zen Center, where Brown goes to meditate. Baker-Roshi is one of a string of gurus, including MK-Ultra operative Baba Ram Das, the former Richard Alpert, who have advised Brown on "spiritual" matters. Baker-Roshi's Zen Center was founded in 1959 with aid from Alan Watts, who according to a representative of the Center "may still be associated with us, but I don't know since he's passed over."

By the time of San Francisco's 1968 "Summer of Love," the number of "freaks" in California had reached major proportions. Haight-Asbury was run by the so-called "Diggers," which included key figures previously involved in the founding of the *Los Angeles Free Press*, one of the earliest models for the underground press, which would later be instrumental in the success of Jerry Brown's first electoral campaign. Haight leaders held their power on the basis of their known connections to MK-Ultra drug sources. Their control of San Francisco's LSD culture was institutionalized in the creation of the Haight-Asbury Free Clinic, which was founded by an MK-Ultra connected psychiatrist, Ernest Dernberg, and Roger Smith, street-gang organizer and parole officer of later mass murderer Charles Manson.

The clinic was itself controlled through the Langley-Porter Clinic, where Bateson had worked before his term at the Palo Alto VA Hospital, and which directly took part in MK-Ultra related experiments. The Haight clinic was the first in a city-wide network of drug clinics which included the North East Mental Health Clinic and the Los Siete Clinic, which were connected to what one key NEMH staffer described as the Black Liberation Army's "underground railroad," and the Delancey Street Foundation, directed by MK-

Ultra operative Dr. Joel Fort, who later helped found Project One.

Parallel to the "hippie" developments in the Haight, the culture of "political" hippies was being developed in Berkeley, out of the refuse of the Berkeley Free Speech Movement of the early 1960s.

By the second half of the 1960s a major migration of these elements to northern California had begun. The key figure in directing this migration was anarchist-terrorist Murray Bookchin, a personal friend of Bateson, who is today key controller of Spain's Basque terrorists. Allan Hoffman, a personal protégé of Bookchin's and leader of the New York-based "Motherfuckers," a Diggers-type group controlled by Bookchin, moved to California and began organizing elements of the Diggers, the Hells Angels, and the Motherfuckers into a network of primitive communes centered around Ukiah, the same city to which Jim Jones also took his followers in the mid-1960s.

At the same time Bookchin personally intervened in the network of political communes in Berkeley during a 1967 tour of the West Coast. He called for the establishment of a parallel support network of rural communes for "rest and recreation" and study purposes. Like the Jones cult, the Diggers and Bookchin's "politicos" based their plans on the need to survive an inevitable nuclear holocaust. The California network created on this basis has since functioned as a safe-house network for every terrorist operation run through California since that time — including the Symbionese Liberation Army and the Weathermen.

## The creation of Jerry Brown

Literally every cult operation was created or directly supported by these or other known MK-Ultra networks: "est" and Mind Dynamics, both channeled through Esalen; Transactional Analysis, founded by Langley-Porter's Eric Burn; Hare Krishnas and other pseudo-Indian "mystic" groups, directed through networks directly affiliated with Bateson.

Simultaneous with the development of mass-based cultism in California, former Jesuit seminarian Jerry Brown was being developed on a parallel track as the perfect figurehead for an MK-Ultra government.

Brown is a totally synthetic politician, a combination of the brainwashing apparatus of MK-Ultra with the heavily entrenched Hollywood-based Kennedy machine in California which together put him into power. Brown's entire career (even given his position as the son of a popular former governor) is inexplicable except as a totally controlled media project of these two apparatuses.

That project critically included the wrecking of the legitimate political networks which had led California during its postwar development boom. Even before running for Governor, Brown and his Kennedy-trained lawyer associates were working with outfits like

Common Cause to watergate California politicians on grounds of "illegal campaign financing" and similar issues. The Brown candidacy of 1974, interestingly, was only successful over the political "dead body" of San Francisco Mayor Joseph Alioto, the front-runner for the Democratic Party nomination, who was destroyed by a media brouhaha over alleged "mafia connections," after his city had been brutalized by successive waves of SLA, "zombie killer," and BLA terrorism by the MK-Ultra network.

The use of heavy media manipulation was developed to its height in Brown's campaigns. His campaign for governor was actually based on a strategy of staying out of sight and giving huge media play to his name. Brown's key campaign advisor and later executive secretary, Grey Davis, was trained in the 1972 Los Angeles mayoralty campaign of Tom Bradley under the special direction of David Garth. Garth is a former member of the Army Security Agency, a trained clinical psychoanalyst and McLuhanite brain-washer who has recently gained notoriety directing the campaigns of, among others, New York Governor Carey and New York City gay rights Mayor Koch.

Jerry Brown was picked up as a perfect combination — a 1960s counterculture neocultist with a big name and a thoroughly amoral, moldable public profile. Brown's cultism is indicated in his early Jesuit training, in 1956-60, and represents a key to his psychological makeup. The training he underwent in a Jesuit seminary in California was overtly expressive of the (sadistic) military discipline and mind control around which the elitist Jesuit intelligence apparatus is built. Only Latin was spoken in the Novitiate, and total silence was maintained for long periods of time. Once a week a form of criticism—self-criticism, known as *defectus*, was practiced; novices who broke rules had to confess and ask forgiveness on their knees in front of the entire community; once or twice a month they would bind themselves with chains for an hour at a time; they would also beat themselves on the rear end with a rope.

The underlying approach of the Jesuits dominates everything Brown is, and the Jesuit themes, often mixed with counterculture, MK-Ultra-type "spiritualism," are quite out in the open. Brown still studies St. Ignatius, the founder of the Jesuits, and the rules he wrote for the Jesuit order, along with Brown's other anti-growth gurus, particularly E.F. ("Small is Beautiful") Schumacher. Early in his term as governor, Brown told an audience of priests, "If you want to know what my administration will be like, look at St. Ignatius's 11th and 12th rules." The rules he referred to dictate that a Jesuit must seek self-mortification, practice self-denial, and abhor worldly needs and desires.

Brown left the Jesuits in 1960, finished college at Berkeley, and went on to Yale Law School. He then served as a law clerk to a family friend and tried to make a career of sorts in law, passing the bar only

after two tries and signing up with the prestigious Los Angeles law firm of Tuttle and Taylor, in 1965.

In the late 1960s Jerry Brown became active in the antiwar movement and Eugene McCarthy's presidential campaign, attending the Democratic Convention as an alternate delegate for him. Brown was already being groomed as a youth-guru political figure, and by the time he announced his first campaign for public office in late 1968, it was understood among friends and associates that this was only the opening salvo of a campaign for much bigger stakes.

Brown ran and won election that year to the Los Angeles Junior College Board, entirely on the strength of his father's name, with media hype from *Los Angeles Free Press* networks. He served only one and a half years of a four-year term, using the position to get maximum press coverage. Brown's press aide at that time, and a close associate since, Tom Quinn (Brown was no doubt the only Junior College Board member with a press aide), has been described by one reporter as "essentially programming Brown to get the greatest amounts of publicity." Brown managed in that short time to advocate a variety of California "radical" causes, from the rights of the Huey Newton-Eldridge Cleaver Defense Committee and SDS to the use of college property for meetings to defend a teacher dismissed for reading a poem which was described as "on abnormal sexual relations with God, Christ, and animals."

Brown moved on up with a 1970 campaign for Secretary of State, a campaign that not incidentally persuaded his father to drop a possible comeback bid against Ronald Reagan. Brown's victory came despite a Republican sweep of all other statewide offices except the Senate seat won by John Tunney, a son of another famous father and a former roommate of Ted Kennedy's at law school. Kennedy sycophant Tunney and Brown became close associates, during this period and after.

Brown used his new office exactly as he had his earlier one, but on an expanded scale. Immediately on taking office in January 1971 he began filing high-publicity law suits for failure to comply with campaign financing laws, including a public threat to prosecute 134 candidates. Brown's operation against California politics escalated in April when he announced a campaign in alliance with Common Cause and the People's Lobby to place a Fair Political Practices initiative on the June 1974 ballot. The initiative was drafted by poverty lawyer Daniel Lowenstein and became known as Proposition 9 (later declared unconstitutional). Lowenstein was later appointed head of the Fair Political Practices Commission by Governor Brown. The southern California-based Center for the Study of Democratic Institutions, founded by a former Aspen Institute head and OSJ Commander Robert Hutchins, was extensively involved in the Proposition 9 campaign and was a key element in Brown's own Democratic primary victory in the June 1974 election.

## The campaign for governor

Brown's announcement as a candidate for governor was a surprise — given that he had zero qualifications — and Mayor Alioto was the clear front-runner, followed by candidates George Moscone (then a state senator) and Bob Moretti, the powerful speaker of the assembly. Moscone dropped out early, Moretti had no state-wide recognition, and Alioto showed the effect of continual press harassment on his alleged "mafia connections." With Watergate and the help of some key figures in the Democratic machine who swung crucial labor support to him, Brown won the primary, and following that, the governorship.

The record of Brown's governorship will not be dealt with here — his destruction of nuclear energy development, Proposition 13 austerity operation, and his general antigrowth policies are well enough known. We return instead to his Governor's apparatus — along with the MK-Ultra crowd, came the network of poverty and public interest lawyers created straight out of Bobby Kennedy's Justice Department, now centralized nationally through the D.C.-based Center for the Study of Law and Social Policy — which was founded and is run by former Kennedy associates. This "network of people who came through legal services and public interest law" has been described accurately as "the old school tie" of the Brown administration. Brown's top administrative staff and advisors come from the California ACLU, and its offshoots, the San Francisco-based Public Advocates Inc., California Rural Legal Assistance, and the Mexican-American Legal Defense and Educational Fund.

Grey Davis is one of these. A graduate of Stanford Law School before serving as a captain in the army in Vietnam, Davis organized for McCarthy in Vietnam and after discharge joined a top Los Angeles law firm. He worked on Tunney's 1970 campaign and then was finance director, under Garth, in the Bradley campaign. Another figure is Mickey Kantor, five years a poverty lawyer representing farm workers in Florida and a close buddy of Tony Kline, Brown's legal affairs secretary and founder of CSLSP-affiliated Public Advocates, Inc.

Kantor comes on board in an important post — as campaign manager for Brown's presidential bid of 1976. Kantor ties right back into the Hollywood-liberal networks whose ties to MK-Ultra in both the drug-running and mass psychosis industry are a major part of this picture. Kantor had managed Senator Cranston's re-election campaign in 1974 and was a member of the law firm of Manatt, Phelps and Rothenberg, a Century City firm whose head, Charles Manatt, has been chairman of the California Democratic Committee since 1971. This is the firm that Tunney joined when he lost his Senate race in 1976. Finally, and most important, this firm's clients include Eli Lilly, the company whose foundation is one of the major foun-

ders of the terrorist networks of MK-Ultra and the Peoples Temple cult.

In managing his presidential bid through Kantor and key Kennedy associate Allard Lowenstein, the Kennedy machine that runs Brown reveals itself. Brown is a stalking horse for Ted Kennedy, a pawn for a bigger pawn, in the planned Cartergate destabilization of the United States. Brown's California is the launching pad for that destabilization — from Jim Jones to Jerry Brown to Ted Kennedy stretches one continuous line of control to that purpose.

—Cornelia Reynolds

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# The Jones cult and the Mau Mau model

*The 'defectors' group is key to the looming terrorist deployment*

*The following informational report was prepared by the U.S. Labor Party Security Section.*

Law enforcement officers and private public interest groups investigating the terrorist potentialities of the mass suicide in Guyana must make themselves familiar with the essential features of the two-sided Mau Mau operation of British intelligence services in Africa. The orchestrated gang and countergang deployment of the main Jones group and the so-called "defectors" group conforms in every essential detail of pedigrees and deployments to the gang-countergang operation which the British ran in the Kenyan Mau Mau operation.

The writings of Brigadier Frank Kitson of British intelligence provide the law enforcement officer with all but one crucial fact one needs to know to cope with the dangers posed by the so-called "Jones defectors" group. Kitson merely omits to mention that the original Mau Mau group was created by British intelligence; the rest of the tale as given by Kitson is close to the truth on essentials.

We outline the basic features of the British Mau Mau operation first. Then, we indicate the crucial points of agreement defined by superimposing the Jones follower-defector deployment pattern on the Mau Mau model.

## The Mau Mau operation

The basic elements of the British intelligence services' Mau Mau gang-countergang operation in Kenya are as follows:

**1. Creation of the gang:** The original Mau Mau cult, under the titular leadership of London-trained, "radical" Kenyan nationalist Jomo Kenyatta, was created by the British intelligence service as an Anglican Jesuit operation coordinated by the British Psychological Warfare Division at the Tavistock Institute (Sussex University).

**2. Phase one of the deployment:** The overall operation was set into motion through a wave of Mau Mau raids against (principally) farms owned by European settlers, with some killing of black Kenyans to spice up the horror effects.

This produced hysterical polarization among the black and white populations of Kenya, with both white-versus-black and black-versus-black features

included. This hysteria secured the British the mandate for launching phase two.

**3. Phase two of the deployment:** A covert, fake Mau Mau gang headed by disguised native whites was deployed as a terrorist force, while a public relations cover was developed around a group of Mau Mau "defectors." "Revelations" about the Mau Mau were prepared by British intelligence and played through the mouths of the controlled "defectors" group. The defectors group thus provided the cover required to aid terrorist operations deployed by the covert, killer squads for which the "defectors" served as a front group.

**4. Phase three of the deployment:** Fake Mau Mau gangs deployed by British intelligence perpetrated terror against black villages in the populated areas of Mau Mau deployment. This bloody "chaos and confusion" operation impelled the villagers to distance themselves in terror from the real Mau Mau. The Mau Mau forces were thus herded into a concentration in which a final air-assisted search-and-seal paramilitary operation wiped out the organization.

**5. Model for the operation—Malaya:** The "wet-run" model for the Kenya Mau Mau operation was made at the close of World War II in Malaya.

During the war, the British intelligence under China-Burma-India Theater coordination of "that bastard" Lord Mountbatten, and such subalterns as Enoch Powell, had created in the Malaysia area a reserve guerrilla force headed by the Chao Chou opium-running networks of the "golden triangle." The British never fully equipped or armed this ethnic Chinese force during the military operations against the forces of Japan. However, at the conclusion of the war, the ethnic Chinese guerrilla reserves were supplied with arms and other equipment in adequate supply for a full-scale, protracted guerrilla operation.

Guerrilla assaults on plantations (especially) were used as a pretext for setting the counteroperation into motion. It was in this setting that "Malaysia" Thompson and others developed the techniques which Thompson and others introduced to CIA operations in Vietnam at the beginning of the 1960s — the techniques which contributed in the greatest degree to developing in-depth support for the National Liberation Front forces in the rural regions of South Vietnam.

The British obsessively refuse to comprehend the

qualitative distinction between such models as "war games" or "controlled experiments" and actual wars involving in-depth warfare considerations. However, the lessons of Mountbatten's bloody controlled experiment in Malaysia did provide a reference point for a successful gang-countergang operation in Kenya, precisely because Kenya represented a controlled experiment — where Vietnam did not.

**6. Policy motives for Mau Mau:** Jomo Kenyatta, prior to the Mau Mau operation, was a titular leading figure among Kenyans oriented toward national independence. The British were prepared to give Kenya nominal independence as, predominantly, an agricultural goods and raw materials exporter, within the monetary order of the British Commonwealth. The British were fearful that the newly liberated colonies would opt for either the American Revolution or the Soviet case as a model — a model of dedication to urban-centered general progress in technological development of agriculture, industry, and infrastructure. The British needed to draw potential national leaders into an operation in which those leaders and associated layers of the native populations would be sufficiently tamed to submit to the British version of "national independence."

In general, the combined Mau Mau operation was to subject Kenya to a "bloody example" of terror for this desired effect.

The Kissinger policy for southern Africa was and is based on the same British-designed Mau Mau model of white-versus-black plus black-versus-black horror shows, with white mercenaries providing the crucial catalytic element of mass butcheries needed to bring all the other conditioned elements to a maximum degree of frenzy.

### **An important consideration**

The Mau Mau operation, like many other standard British intelligence covert operations techniques, relied on the foolishness of the average citizen, his or her tendency to "pick sides," either as a spectator or participant, in any ongoing fight he or she witnesses. On the basis of this principle, the following sort of operation is standard.

*Operation objective:* Assassinate a tertiary quality of target who is known to be meeting a contact in a barroom at a given time.

*Method:* Deploy two separate teams to the location. Team "A" to start a brawl. Team "B" to hit the target under the cover of the diversionary brawl.

*Procedure:* Two operatives of Team "A" start an argument in the barroom, preferably involving unwitting third or third and fourth parties. If the issues of the rigged conflict are sufficiently aired to the others in the barroom, those bystanders can be psychologically involved on one side or another before the first blow is struck. In the melee, the victim is killed.

That is a crude, classic, and obvious case, but the

principle is illustrated — as in those elections during which most of the population contests preferences for two wretched candidates, both controlled by the same background interests. People generally are suckers for whatever is put front stage as the conflict of a rigged drama; audiences have great difficulty in rising to the mature levels of judgment in which they focus their attention on backstage operations, in which they have the maturity to recognize that it is the audience which is the real target of the operation.

### **Rabbi "Mau Mau" Davis**

Understanding the Kenyan Mau Mau model enables the investigator to understand the case of Rabbi Maurice ("Mau Mau") Davis, formerly of Indianapolis, currently of White Plains. It was Davis, in Indianapolis, who gave Jones his first temple, a disused synagogue sold to Jones under the most informal, "softest" terms — a "pay me whenever you can" arrangement. The same Davis has been prominently associated with kidnapper Ted Patrick in so-called "deprogramming" of youth recruited to both cults and non-cult organizations.

Although Davis's organization operates under the public-relations cover of rescuing persons from "brainwashing," two known sets of facts concerning the kidnapping operations reveal the true character of the "deprogramming" cult headed by Davis and others. First, although some of the kidnapped persons were in fact "rescued" from behavioral modification groups, this is essentially a convenient, diversionary, public relations cover for the actual character and broader purpose of the "deprogramming" operation. Second, the methods used by Ted Patrick and other "deprogrammers" are based on the most brutal sorts of "back room" brainwashing techniques.

A study of the pedigrees of the Jones "defectors" group, and the background to the organizational cover of the group of "ex-Mau Maus" publicized in the wake of the Jonestown suicide-murder orgy, warns us that any terrorist deployments linked to the Guyana bloodbath are coordinated by forces separated only by "cutoffs" from the sponsorship of the "defectors group." Any person given the crucial facts concerning the background and current propaganda-line of the "defectors group," provided that person knows the Mau Mau model, recognizes immediately that this conforms on all crucial test points of intelligence evaluation to the "NAG" front-group aspect of a standard British-intelligence gang-countergang terrorist operation. It is the same Mau Mau model which the British intelligence services have been perfecting for years in the Ulster horror show.

This conforms to the fact that California kookery has been developed chiefly through various British intelligence deployments, and that the Uki-cults, of which the Jones case is an example, were developed under the auspices of the "Golden Dawn" operation of British intelligence, the same operation in which Allen

Dulles's "MK-Ultra" and Rand corporation involvements were key.

The connection between Lilly Endowment-funded and related operations in Indianapolis to California kookery is second in significance only to the kook-operations played into California and other locations via nasties embedded in the University of Chicago. In New York State, Edgar Bronfman's Westchester County, plus Rockland State Hospital, is one of the nastiest centers of cultism and other kookery — including the "Son of Sam" killings.

If one also knows the basic rules for untangling Zionist networks, and knows the key role Israeli intelligence played in the Timothy Leary operations side of the "MK-Ultra" project, the general pattern of British-Zionist-Quaker networks involved in the development of the Jones and other kook cults is understood. Rabbi "Mau Mau" Davis's overlay fits all crucial points of the "Golden Dawn" deployment pattern.

The case of Timothy Stoen gives another, useful overlay. Stoen, reputedly a former CIA agent, was crucial to Jones's success during the early phases of development of the Peoples Temple, and was involved in every phase of the "nasties" which came abruptly

to the surface between Summer 1977 and the recent Guyana bloodbath. Stoen is now key to the "defectors group" and the central figure in the chain of circumstances leading directly into the murder of Congressman Ryan and the mass bloodbath. This does not necessarily imply that Stoen is fully witting of the implications of his role, but merely that he is at least a controlled element in the threatened terrorist phase of the "Mau Mau" model under consideration.

Key in the planning level of any terrorist activities linked to the Guyana horror-show is Brian Jenkins of the Rand Corporation. Jenkins is cooperating at high executive levels with British intelligence in planning terrorist operations, and has taken a key role in planning the cult phase of terrorism. This should not be surprising to anyone who is informed of the background of Rand or its various involvements in creating Jones and other cults. Rand was integral, together with such entities as Israeli intelligence and the Office of Naval Intelligence's British-controlled National Training Laboratories, in furthering the British "MK-Ultra" project run under Allen Dulles's CIA cover. Undercover and other most-reliable sources have given us a hard dossier on a very, very "dirty" Brian Jenkins.

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# Behind the calls for tight money

*Will the U.S. be Britain's pawn against the EMS?*

Behind the obsessive talk about the need for tight money in the U.S. lies a critical fight over international credit policies and control of the \$600 billion-plus in Eurodollar liquidity. In an attempt to obstruct the European Monetary System and head off the complementary Japanese plan for recycling Eurodollar liquidity into long-term productive loans, the British and their allies are circulating scare stories about "new Herstatt's" and plotting ways to bring the "volatile" Eurodollar market under International Monetary Fund control. Parallel with this effort, British and allied sources are simultaneously demanding a drastic shrinkage in the U.S. credit base on the spurious grounds that the dollar will be stabilized through the ensuing capital reflow.

Apparently one part of this operation was the proposal by the new Japanese Prime Minister, Masayoshi Ohira, at a press conference Nov. 28, that the mass of foreign-held dollars in the Euromarkets be cleaned up by replacing them with the International Monetary Fund's Special Drawing Rights. Ironically, the target of Ohira's proposal is the so-called consolidation plan now being pioneered by Japan's central bank to soak up much of the over \$600 billion in footloose Eurodollar deposits and direct the funds into low-cost trade and investment credits for mammoth industrialization projects — a plan which plainly runs directly counter to the "free market" lending activities of the City of London, its New York satellites, and its policy enforcers at the IMF.

Yale University economist Robert Triffin aired his perennial plan for "stabilizing" the Eurodollar market under IMF auspices in a speech before the New York Council on Foreign Relations Nov. 14 — the CFR's inaugural John J. McCloy lecture. Triffin's plan for phasing out the dollar's role as the world's leading reserve currency and asserting IMF control and "conditionality" over national credit systems and especially off-shore markets is, in fact, the model for the anti-EMF, anti-dollar schemes that have surfaced recently.

Any long-term stability of the U.S. dollar and the international economy indeed depends on doing something about the unstable pool of hot money known as the Eurodollar market. The Japanese strategy of rechanneling Japan's sizable dollar reserves into natural resource development and other project loans at one-half the prevailing Eurodollar rates is precisely the right approach: put the dollars to use in long-term, profit-generating investments. The antidollar, anti-EMS approach consists in an across-the-board crackdown on credit creation in the U.S. and a forced reflow of dollars, on the theory that the only solution to the dollar's chronic weakness is to eliminate the dollar from the international arena and shut down whole sections of the U.S. economy as well.

The only climate in which an IMF Eurodollar market restructuring could be imposed would be a new Eurodollar panic. Hence, on Nov. 28 *Le Monde* predicted a new "Herstatt crisis" — referring to the 1974 failure of a West German bank engaged in currency speculation that almost turned into a classic banking panic. This followed the *Financial Times's* warning the previous week of an "uncanny" resemblance between the present Eurodollar situation and the 1974 crisis. The alternative to a new Herstatt is supposed to be the imposition of reserve requirements on U.S. banks' Euromarket operations; this controlled version of the collapse of their business was mooted by U.S. Federal Reserve Chairman G. William Miller last spring and was elaborated by Robert Triffin in his CFR speech.

## U.S. credit clampdown

Triffin, Miller, and Lazard Freres's Felix Rohatyn — who bluntly called for U.S. credit controls in the Nov. 28 *New York Times* — cannot snap their fingers and politically implement the whole IMF antidollar machinery. What they can do is clamp down on the availability of credit in the U.S. and starve credit-hungry U.S. business to the breaking point. This strategy was formulated in the recent American Express Bank (Amex) report, which prescribed a

drastic shrinkage of the U.S. credit base to be ameliorated by an inflow of foreign funds. Speaking in Zurich Nov. 29 Hans Mast of Crédit Suisse predicted an imminent capital reflow to the U.S. based on still widening interest rate differentials and the successful completion of the new monetary arrangements — Mast like Triffin hopes to pervert the EMS into an austerity-based currency stabilization system.

In the U.S. itself, prevailing thinking has converged on the position held by the Friedmanite cultists at the *Wall Street Journal*. Economists are prescribing an abrupt clampdown on the availability of credit — on the creation of banking reserves — having realized that rising interest rates have in no way deterred bank lending, and have in fact only fueled an inflationary bubble in the economy. “. . . if the need for money is there, corporate treasurers will pay the price,” the Manufacturers Hanover Trust Financial Digest observed last week.

On Nov. 29 the *Wall Street Journal* editors sounded their own familiar litany, demanding that the Fed categorically establish control over “the dollar money supply”: “A real defense of the dollar would attack the root problem of its decline, which is that too many dollars have been created. Unless the Fed slows the creation of dollars, the rest of the (dollar support — ed.) plan is temporizing at best and cosmetics at worst.”

The *Journal* was apoplectic over the fate of the higher reserve requirements on large certificates of deposit announced by the Fed and the Administration on Nov. 1 as part of the dollar defense package, which was supposed to immobilize some \$3 billion in banking reserves, and hence was expected to contribute to a decline in the monetary base. The *Journal* editors and other commentators interpreted the \$700 million increase in the monetary base, which consists of banking reserves and currency, in the statement week which ended Nov. 22 as a sign that the Fed was moving to offset the credit tightening measure.

In fact, there is considerable concern among tight money advocates over whether the Fed will “stick to

its guns” and move to squeeze the monetary base — as former Fed Chairman Arthur Burns did back in 1974 (see “How to collapse the U.S. economy”). Donald Wooley, chief economist of Bankers Trust, said in an interview this week that the Fed governors know their every move is being scrutinized by the foreign exchange markets. “They can’t back off now, they feel, or they’ll undo all the good they’ve done so far.” As for any residual opposition to tight money coming from Carter’s close “political advisors,” Wooley believes that the tumult in the financial markets in the week leading up to Nov. 1 gave the Administration a good scare, and Carter is now listening to his “economic advisors.”

The key issue is what the Fed is going to do with respect to the availability of credit. “Availability is still there,” according to Wooley. “But I think we may be about to enter a period where availability may be impinged.”

Apart from the Fed’s upcoming actions on monetary reserves and interest rates — this past week the Federal funds rate inched up again to 9 $\frac{7}{8}$  percent — there are a number of other factors in the balance. The six-month certificates that savings banks began issuing last spring to prevent disintermediation have begun to mature and must be rolled over — at 200 basis points above the original interest rates! Thus, it is questionable whether the banks, which are already losing money on these high-interest-rate certificates, will continue to issue them. On this hinges the continued availability of mortgage money and the housing market, which has held to a two million starts per annum rate this year. Also, smaller regional banks are already fully loaned up and have been selling loan participations to money center banks to meet heavy loan demand. As a whole, the banking system is liquidating its holdings of government securities to accommodate loan demand. Under these conditions, a squeeze on banking reserves, credit controls, or other pseudosolutions to stabilize the dollar will simply guarantee a U.S. recession.

— Lydia Dittler

## Salomon Bros. analyst recommends limited credit availability

*In an interview with Executive Intelligence Review on the U.S. banking and credit picture this week, Salomon Brothers bank analyst Warren Marcus recommended a program of recessionary credit cut-off as a remedy for inflation and dollar instability.*

*Q: We have a report that some people would like to use the Citibank scandal around David Edwards to open up banks' foreign lending portfolios for investigation. Have you heard about this? Also, that Citibank would like to distract attention from their foreign portfolios.*

*A: No, but I wouldn't be terribly surprised. I often wonder whether banks even fully understand the logistics of foreign lending. I doubt if anyone really knows what's actually going on here. The data basis is pretty poor. It's an issue over which people get pretty emotional. . . . Our chief problem right now is that the world is a borrower's market — flush with liquidity.*

*Q: How are we going to deal with this?*

*A: We have the whole anti-inflation program. And I think they're serious about it. . . . Over the past two or three years, there has been a decline in credit quality. Lenders have been under pressure to put money to work rather than look for money. The situation is not alarming.*

*Q: When you talk about the anti-inflation program, do you mean the interest rates?*

*A: We're talking about the whole package.*

*Q: Miller seems to have taken a very soft position on interest rates, after everybody seemed to be concentrating on that after the program was announced. Is that because he's more concerned with other aspects of the program?*

*A: Well, Miller is also trying to deal with domestic political realities. We've had moves in Congress to eclipse the independence of the Fed. . . . There are always intimations that the Fed was too independent. Burns knew how to gain the confidence of Congress, which is always trying to promote expansion while the Fed they claim is always trying too mute it. . . . I'm thinking back particularly to '74, when a number of Congressmen thought the Fed was the major political problem, and blamed them for everything.*

*Q: To be specific, what technicalities are needed right now to ensure the Administration's anti-inflation program besides interest rate increases?*

*A: A more contained, more reduced rate of monetary expansion. Also, one of the planks of the program is to increase reserve requirements, which became effective in the middle of the month. . . . Everybody agrees that if the program is technically unable to do the job, all it does is buy time. Then you have to deal with the basic problem — inflation. . . . Everything revolves around inflation. . . . If we had a Herstatt crisis it would strengthen the dollar. Countries do not disappear. Despite the U.S. dollar weakness, there have been massive acquisitions in the U.S. The U.S. is still the last bastion of capitalism, a huge, power economic force. If we get our act together on inflation, then indeed we will get capital inflows.*

## The Apollo of the

Couched in Delphic predictions of another major monetary crisis that could "bring down the existing system" Yale economist Robert Triffin's John J. McCloy lecture Nov. 14 made three major allegations: (1) the dollar's role as a reserve currency should be ended; (2) control over liquidity creation should be taken over by an IMF with greatly expanded surveillance and enforcement powers; and (3) IMF controls should be extended to "offshore operations" in particular.

Triffin's drill session with the Council on Foreign Relations which is to appear as the lead item in that organization's December *Foreign Affairs* organ, led up to a slanderous commentary on the EMS, based on the "kill by cooption" approach associated with Britain's Brian Jenkins. Triffin misrepresented the EMS as an updated version of his own rejected schemes for an antidollar, austerity-based European regional currency bloc.

Three days later the *New York Times'* Leonard Silk retailed Triffin's CFR briefing in the context of a high-profile promotional pitch for Triffin's recognition as the "successful Cassandra."

Triffin is playing the same role today as he did in the early 1960s, when he launched a push for the reorganization of the teetering international monetary order under the auspices of the IMF. Having established his soothsayer credentials through the publication of *Gold and the Dollar Crisis* in 1960, Triffin worked with elements of the Kennedy Administration — including the scores of actual British civil servants brought into the White House and U.S. Treasury — to effect world monetary "reform" through replacing the U.S. dollar with the IMF's Special Drawing Right liquidity.

# Council on Foreign Relations

Professor Triffin's curriculum vitae explains his present advocacy of IMF and Bank of England policies today.

Since his journey to Harvard from Belgium in 1939, to his 1951 placement as an economics professor at the center of Yale University's cabal of sterling lovers, Triffin has been on the inside of every major British international economic warfare operation in the postwar period. Triffin cut his teeth, as did Henry Wallich, from 1942 to 1946 as Latin American section chief for the U.S. Federal Reserve Board of Governors. During the critical 1946-48 period Triffin was instrumental

in the postwar sterling bailout as director of the International Monetary Fund's Exchange Control Division, and a year later as the IMF's chief technical representative in Europe. Like the notorious Milton Friedman, Triffin was from 1949 through 1959 a "special advisor" on trade and financial policy to the European Cooperation Agency, and the U.S. administrator of the Marshall Plan — the scheme Henry Kissinger's mentor William Yandell Elliott and other leading Anglophiles ran to isolate the U.S. from Europe economically and humble the continent vis-à-vis Britain politically.

The political intelligence character of Triffin's professional skills is further exemplified by one notable exploit among his post-1951 academic pursuits. Professor Triffin, it so happens, collaborated with the notorious Henry Bloch, currently S.G. Warburg chief, in the assassination of Patrice Lumumba in the Congo — the two being instrumental in a maneuver to freeze Zaire's gold reserves — a key ingredient of the overall destabilization — in the period before and after the assassination operation.

— Susan Cohen

## What Triffin is saying

*The following are key points from Robert Triffin's Nov. 14 speech to the New York Council on Foreign Relations, "Gold and the Dollar Crisis: Yesterday and Tomorrow":*

•The international paper-dollar standard has indeed become even more distasteful and unbearable to foreign dollar accumulators than the pre-1971 gold-dollar standard. The flooding of world reserves by dollar and Eurodollar overflows doubled them over the years 1969-1972, and has doubled them again over the years 1973-1977.

•Our own banks — again excluding their branches abroad — increased their foreign claims from \$21 billion in 1972 to \$87 billion in mid-1978, at an average rate of \$14 billion a year over the years 1973-1977, and a peak of \$21 billion in 1976, compared to an average of \$2.5 billion in 1970-1972, and well below \$1 billion in the 1960s. For the world as a whole, the foreign claims of commercial banks reported by the Bank for International Settlements rose from about \$200 billion in 1972 to \$700 billion in mid-1978. This \$500 billion increase in commercial banks' foreign loans dwarfed by far the \$14 billion

increase in IMF lending, and even the \$133 billion rise in Central Banks' foreign exchange investments. The abdication of official control over the explosion of international financing could hardly be more complete.

•What conclusions can I draw today from these developments? They certainly call, first of all, for a further rounding-up of my 1959 proposals. The control of international liquidity must encompass not only all three components of the official world reserves (gold, foreign exchange, and SDR or other reserve deposits in the IMF), but also this mushrooming of commercial bank lending.

•It is incredible, indeed, that the continuous international consultations and repeated summit meetings of governments and their financial advisors have hardly breathed a word so far concerning the need to negotiate among the major financial centers some sensible framework for so-called "offshore banking" operations undoubtedly prompted in part by a desire to escape regulations and taxation by the home authorities of those banks' head offices.

# How to collapse the U.S. economy

*British follow 1974 Herstatt scenario in their bid for a crash of '79*

Contrary to all of Milton Friedman's horse manure about the "inevitable" recession ahead in the American economy, the U.S. is pretty tough to upset. Consider the present situation: after 22 months of the Carter Administration and a year of Fed Chairman G. William Miller, the economy is still standing. American business has survived a prime rate at a near-record 11.5 percent, a detestable foreign trade policy that has left us with the first manufactures trade deficit in 50 years, and a rampage from the Kennedy side of the regulatory agencies.

Of course, these aversive conditions have taken their toll. Business is terrified of inflation, and continues to borrow even at exorbitant rates to stockpile inventories that will become more expensive in a few months. Farm prices, through the Administration's imbecilic "set-aside" program, have pushed the Consumer Price Index up to a 10 percent annual rate of increase, while meat prices are rising at a 20 percent annual rate.

But the economy refuses to collapse. The bank newsletters which have been demanding a recession are forthrightly upset about this. The City of London must feel like the impatient heir who has poisoned, shot, and stabbed a 90-year-old rich aunt who still refuses to die.

Forget all the fairy-tales about the "business cycle." The economy is not "overheating" because there is too much economic activity, or the Federal Reserve is printing too much money. There is inflation because British-designed foreign trade policies have shut off the world market to American heavy industry, which, correspondingly, has failed to invest in more productive new facilities, and because British dope runners take \$50 billion a year, by official estimates, out of the U.S. economy. Inflation does not produce a recession. Left to its own devices, the inflation-ridden U.S. would eventually break through the political barriers designed by her British "allies" and cure the symptoms.

Extraordinary measures would be needed to bring the U.S. economy down. That is precisely what the frustrated outlets for British policy are now demanding. Today's *Wall Street Journal* lead editorial is a case in point. "Unless the Fed slows the creation of dollars," says the *Journal*, the Administration plan to defend the dollar in cooperation with our European and Japanese allies "is temporizing at best and cosmetics at worst." What pro-British analysts on Wall Street, such as Donald Wooley of Bankers Trust

and Henry Kaufman of Salomon Brothers, are now predicting is that the Federal Reserve will put the crunch on the availability of funds to the banking system, and simply shut down credit availability.

One hard-pressed treasurer of a big New York bank pointed out in a discussion that during 1974 — when the first big waves of mass layoffs started — Fed Chairman Arthur Burns wrote a letter to the banks demanding that they shut off credit. They did, and the economy took a nose-dive. If Miller does something like that, the banker said, it will be all over.

Arthur Burns's letter, dated October 1974, was the coup de grace to the American economy. Old Arthur Burns, prize scion of the Chicago School's evil founder Wesley Mitchell, pro-British to the pipestem, provided an object lesson in how you can collapse the American economy.

High oil prices didn't collapse the U.S. economy dur-

## Le Monde: Euromarkets are

*The weekly Economics section of Le Monde, Nov. 28, reported that the condition of the international money markets was primed for a new panic similar to that triggered by the Herstatt bank collapse of 1974. Excerpts from the article, titled "The shadow of the Herstatt bank," follow:*

... The latest statistics published by the World Bank take note of the formidable increase in borrowing on the Euromarkets during the course of this year. The total of borrowing for the first six months of 1978 has reached \$51 billion, whereas the figure for 1977 as a whole was \$69 billion, and for 1976, \$63 billion. . . .

How can this new and considerable increase of foreign indebtedness be explained? It is first a consequence of the collapse of the dollar. We could cite other examples of this phenomenon from recent monetary history: a currency that is weakening is used more and more, because economic agents seek to increase their commitments denominated in a currency which is losing more of its value. When it is the dollar — whose position is already dominating — that is in question, this new illustration of the principle of a bad currency taking precedence over a good currency can take the form of a veritable tidal wave. The banks, American or not, operating on the international market, have

ing the big 1974-1975 downturn. A British special operation — the collapse of the Herstatt Bank in West Germany — did. The City of London, the polluted home of the pool of footloose dollars known as the "Eurodollar market," knows that the deciding margin of available credit for the U.S. economy is the \$400 or so billion in international dollars. The collapse of Herstatt in July 1974, a British intelligence inside job, started a panic which brought down a whole string of secondary banks, while the financial press predicted general catastrophe. Three Swiss banks went down in September. Michele Sindona's banking group in the U.S. and Italy, including Franklin National Bank of New York, went down at the same time, victim of a British inside job resulting in crushing losses on the foreign exchange markets.

Banks pulled their funds out of the Eurodollar market pool. The British-controlled Bank for

International Settlements started withdrawing its deposits from the Eurodollar market, as reported gleefully in early October by the London *Economist*. By a recently published estimate in the French newspaper *Le Monde* — which is running predictions of a Herstatt repetition — total liquidity in the Eurodollar market shrank by an incredible 30 percent within the space of weeks.

Back home in the United States, high inflation rates, much like the present ones, forced an extraordinarily high rate of borrowing. The quadrupling of oil prices a year before, a virtual doubling of major commodity prices, and double-digit inflation had put the economy through the wringer. Herstatt and its consequences provoked a liquidity squeeze on the international markets. Interest rates were at record levels. *Still the economy continued to function.*

#### Burns turns off credit

At that point, Arthur Burns simply ordered the banks to shut off lending. They obeyed. At the same time they provided funds to London, as in the case of Citibank's bailout for the failing British Bank of Commerce during October 1974, to prevent London from going under. The shutoff of American credit and the rescue of London sent the U.S. economy into an immediate nose-dive, causing the fastest onset of depression in 20th century American economic history. The shutoff of credit was much, much worse than during 1929-1933.

Now the London *Financial Times*, its echo-chambers at *Le Monde*, and various other contaminated outlets are talking about a replay of the 1974 events. Luckily for the U.S., the West Germans and Japanese are too well in command of the world markets to permit any similar disaster from taking place. The situation, however, is still precarious. The *Wall Street Journal* and its co-conspirators, who want the Federal Reserve to do now what Arthur Burns did back in 1974, are trying to replay the script of America's last collapse.

Miller is trying his best to accommodate them, but he has to follow certain guidelines from the White House, which is not happy about economic collapse. Not much apart from the electoral ambitions of Jimmy Carter now stand between the economy and disaster. Either the U.S. will join the European Monetary Fund and pull itself out of the muck, or Miller will drop the blade.

— David Goldman

## ripe for a new 'Herstatt'

adapted their own credit policy to a sharply increased demand for credit in dollars.

A second feature characterizing this evolution has been that the greatest part of the loans have been contracted from banks, for periods which sometimes reach seven to ten years (with reviewable interest rates). As for the long-term bonds in Eurocurrencies, the bank syndicates responsible for selling them to the public have often ended up saddled with them. But, as in 1974, under circumstances similar in many respects (to today), the short term interest rates are continuing to go up on the dollar market (and therefore on the Eurodollar market); they are now higher than long-term interest rates, which is always the sign of an unhealthy situation.

It could be that, because of this "transformation" (of very short-term deposits into longer-term loans) to which it has continued to adhere, the international banking system finds itself today in a more precarious position than even the summer of 1974 when — in an event which is again being talked about — the bankruptcy of a small Cologne establishment, the Herstatt Bank, set off a movement of panic of such scope that it resulted in a withdrawal, in several weeks time, of nearly 30 percent of Euro-dollar deposits.

# Are U.S. bankers committing hara-kiri?

It might be tasteless to make the obvious comment about the recent behavior of American bankers, but the reactions of leading U.S. financiers to Japan's program to stabilize the Eurodollar market belong to the realm of last week's shock headlines on mass suicide. Interviews with senior officials of New York's Citibank, San Francisco's Bank of America, and First National Bank of Chicago, indicate that these financiers are not responding clear headedly, but to a combination of British psychological warfare and blackmail, designed to keep the United States out of the European Monetary System.

These bankers object that the Japanese program (soon to be joined by the Europeans), with its provision for development loans at roughly half the rates prevailing on the Eurodollar market, will wipe out their competitiveness. Even though the Japanese have offered Americans places in the banking consortia making the new loans, and with them the opportunity to use some of the \$30 billion held by the Japanese central bank at interest rates equal to Japanese *internal* rates of 6 to 7 percent, the American banks are terrified that their decade-long spree in the Eurodollar market will come to an end.

Considering that the Japanese plan could bring down the entire level of interest in the dollar sector, save the American economy, and expand international trade, the bankers' attitude is perverse. But there is, of course, a reason for every perversion. The American banks have been so completely integrated into the London-centered Eurodollar market, the \$700 billion whirlpool of short-term money, that the prospect of a healthy reorganization of this mess creates a crisis at New York headquarters.

Citibank's Asian specialists noted that the bank makes its profits in international lending on the difference between the cost of the money it borrows in London and the interest rate it can charge on the money it lends. No matter that the upward spiral of interest rates — which has already brought the prime rate up to a near-record 11.5 percent — is squeezing this "margin" to death. Citibank will cling to it for dear life. Citibank says that the rest of the New York banks will go along with them; First Chicago says that it will follow New York; and Bank of America's Tokyo chief is attacking the Japanese in print. Some of the more forward-looking officers at these institutions are privately enthusiastic about the Japanese initiative, e.g. Third World specialists at Citibank's planning division. But the management of these institutions says that it wants to march right off the cliff.

One it becomes clear that the British are finished as a force on the financial markets, this idiocy will change. In the meantime — during the critical weeks ahead

when the United States will choose its course with respect to the new monetary system — the banks are being told by the British that they have been in the London market so long and so completely that they cannot pull out. If the London market goes, the City of London is threatening, the U.S. banks will go with it.

—David Goldman

## Citibank: 'we want a bigger spread'

*A high-ranking Citibank official involved in the bank's Asian operations had the following to say about the Tokyo Capital Market:*

*Q: What's your reaction to the new international loans the Japanese banks are making in dollars at concessionary interest rates?*

*A: The Japanese are establishing their credibility as major lenders in the international market. The Bank of Japan is laying off its excess liquidity to the commercial banks, which are funneling it back into project loans. This is part of an overall national strategy. The Japanese economy needs raw material resources. The concessionary loans to Third World countries make them captive to Japan, Inc.*

*Could this Japanese strategy affect the nature of the Eurodollar market as a whole?*

*A: Unfortunately, the low interest rate project loans that the Japanese are making have been depressing rates throughout the market and are hurting our spreads. Japan's current account surplus is small compared with the market place as a whole, however—so even if they pull all that money out, they can't drive rates down too far.*

*Q: Would this really be so bad? Wouldn't the U.S. banks get in on loans which, even if they carried low interest rates, would be more profitable in the long-run than standard Eurodollar fluff?*

*A: We are not changing our pricing strategy in the bank. Our strategy is to seek out the biggest spreads. Some European banks are joining syndications led by the Japanese, and maybe some small U.S. regional banks out in the Midwest. But no New York bank would touch such loans—the spreads are too narrow.*

*We have different capital requirements than the Japanese banks. If we can't get a reasonable rate of return on our investment, we don't invest. Besides, Japanese commercial banks are getting the Bank of Japan's excess liquidity at very low rates. American banks have different hurdle rates. We have to go to London for funds, where the cost is very high.*

# Ohira victory a setback to 'Bremen East'

*Already, business leaders press Prime Minister to continue Fukuda's policies*

Masayoshi Ohira, whom Henry Kissinger has described as his favorite Japanese politician, pulled off a stunning coup d'état in Tokyo this week, defeating Prime Minister Takeo Fukuda in the first round of elections for the presidency of the ruling Liberal Democratic Party (LDP).

Fukuda has announced that he will not contest Ohira in the election runoff, and he is expected to resign the premiership later this week. At that time Ohira will be formally named LDP President and thus the new Japanese prime minister.

The victory of Ohira, who is currently the Secretary-General of the ruling party, was a complete shock to Fukuda personally, as well as to virtually every political pundit in Japan. The country's major newspapers as late as last week were unanimous in predicting a Fukuda victory, and widespread charges have surfaced that Ohira's late surge to victory was fueled by waves of "dirty money" vote-buying.

## Tokyo summit plans

Ohira's victory marks a huge setback for the political and business leaders of West Germany and Japan, who have worked together for the establishment of a new international monetary system. Fukuda had been playing a key role in guiding Japan along this course, and through his relationship with West German Chancellor Helmut Schmidt the two nations have been coordinating plans for the Tokyo Summit of industrial democracies, scheduled for June of next year. Both Fukuda and Schmidt hoped to use the Tokyo Summit to expand the scope of the new European Monetary System into an international effort to "clean up" the speculative Eurodollar market and other sources of instability in the world economy, and revive high economic growth through the industrial development of the Third World countries.

When he assumes office Ohira is sure to make subtle but determined efforts to shift Japan away from the course outlined by Fukuda. Ohira has long been a protégé of Japan's leading pro-British monetarist grouping, the Shibusawa family, and maintains close ties to the "Jewish Lobby" of the United States and Great Britain.

In an interview with the West German daily *Die Welt* yesterday, the Prime Minister-elect gave a clear

indication of things to come. Ohira stated that he too, like Fukuda, is committed to "cleaning up" the 500-600 billion excess dollars around the world, but he hopes this will be accomplished through the City of London plan to increase the use of the International Monetary Fund's "Special Drawing Rights"!

While the U.S. State Department yesterday issued a typically bland statement on Ohira's victory, which said President Carter expects the change of leadership in Japan to have no impact on the "friendly relations between our two countries," the British have openly expressed their pleasure that one of their allies will assume the top position in Japan. The *Financial Times* of London, closely associated with the Rothschild-led British Round Table, commented in an editorial yesterday that Ohira will "be less effective than Mr. Fukuda at selling the Japanese line to his American and European colleagues."

The paper noted that whereas "Fukuda is confident of his intellectual ability to convince others that his point of view is right," Ohira "is likely to be less forceful." The editorial concluded that "Fukuda prided himself as an innovator as far as Japan's relations with the outside world were concerned," while Ohira "is thought to be in much less of a hurry than Fukuda."

## "Consensus system"

Despite the British optimism, however, Ohira will not be free to alter Japanese policies on his own. Rather, because of the unique political process in Japan known as the "consensus system," Ohira will be forced to take into account the pressures and demands of other political and business leaders. The single most important thing that will determine the policies of Japan under Ohira will be whether the faction of industrialist leaders that backed Fukuda's foreign and economic policies — especially Nippon Steel, the Mitsubishi zaibatsu, the dirigist banks like the Industrial Bank of Japan, and the "pro-German" wing of Japan's powerful bureaucracy — "capture" the new prime minister by publicly elaborating on Fukuda's policies and demanding that Ohira adhere to them.

Experienced observers of Japanese politics have expressed the fear that the industrialist leaders, known in Japan as the "Zaikai," will increase their

losses by retreating into the "byzantine" world of Japanese backroom maneuvering, to work out "compromises" and "deals" with Ohira.

Two of Japan's most powerful Zaikai, Nippon Steel chief Shigeo Nagano and big-business federation (Keidanren) leader Toshio Doko, have apparently begun a pressure drive on Ohira. Nagano yesterday called for outgoing premier Fukuda to be named the new Finance Minister with special responsibility for coordinating the Tokyo Summit, while Doko called on Ohira to maintain all of Fukuda's economic policies.

The makeup of Ohira's Cabinet — whether it includes members of Parliament associated with prodevelopment politicians such as former Prime Minister Takeo Miki, Yasuhiro Nakasone, and Fukuda or whether it is made up mainly of members associated with Ohira and his allies — will be an important indicator of Ohira's ability to change the Fukuda policies.

### How Fukuda lost

Despite the intensive "vote-buying" campaign run by Ohira and his factional ally, former Prime Minister Kakuei Tanaka, Fukuda's defeat was mainly caused by the election tactics adopted by himself and his allies. Fukuda was overconfident of his reelection, and concentrated his campaign on the backroom wheeling

and dealing that has come to dominate Japanese elections.

Fukuda rarely emphasized his leadership role in world affairs as a reason for his reelection, and presented himself to the LDP voters as an extremely skilled bureaucrat who deserved to be prime minister based on his "competence." Thus, as is often the case with elections in western countries, the rank-and-file members of the LDP saw little difference between Fukuda, the prodevelopment leader, and his arch-rival Ohira.

The failure of Fukuda's own election campaign thus set the stage for the massive vote-buying operations conducted by the pro-China groups inside the LDP, led by Ohira and Tanaka. The "black money" support for Ohira in this campaign was so blatant that another candidate for the LDP presidency, Yasuhiro Nakasone, publicly denounced Ohira, charging that Ohira supporters had gotten control of secret LDP membership lists, enabling them to "canvass" for votes by paying large sums of money. It is not yet known how much money Ohira and Tanaka spent to buy this election, but the amount is widely believed to have been enormous. Every Japanese voter knows that each LDP faction, including Fukuda's, spends money massively at election time, but Tanaka, who has an enormous "grass roots" machine throughout

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## A weak Prime Minister

The general consensus in Japan is that Ohira is a weak man. Some prefer the term "flexible"; others call him a "faceless bureaucrat." As the London *Financial Times* noted, whereas "Fukuda is confident of his intellectual ability to convince others that his point of view is right.... Ohira is likely to be less forceful." The *Financial Times*'s publishers, the Rothschilds, should know; since his public life began in the 1930s, Ohira has propitiated what he considers to be the most powerful force in Japan and the world: the pro-British Shibusawa-Mitsui business and political group in Japan and its international patrons in London and among the London-linked investment houses in New York.

One reporter described Ohira's personality in the following way: in

the early 1970s, Japanese Prime Minister Sato sent a Defense Minister to Washington with a letter, giving him firm instructions to give the letter only to President Nixon himself or to a senior cabinet member. Henry Kissinger, at the time only the National Security Adviser and not in the cabinet, intercepted the official and demanded the letter. When the official refused, Kissinger went into a classic rage, but still the official refused to disobey Prime Minister Sato. The reporter concluded, "Ohira would have wilted and given him the letter."

A top official described how Kissinger terrorized and controlled Ohira when Ohira served as Foreign Minister in 1973. Prime Minister Kakuei Tanaka, Deputy Prime Minister Takeo Miki, and

International Trade and Industry Minister Yasuhiro Nakasone all supported a Japanese policy of securing closer ties to the Arabs through oil-for-technology deals. During the Yom Kippur War and ensuing oil crisis, Kissinger demanded that Japan instead follow his own, pro-Israel line to the letter. Ohira agreed, after being warned by a pro-Zionist lobby, pro-Peking Japanese Foreign Ministry official that the "Jewish lobby controlled America," and that they would retaliate if Japan crossed Kissinger on the mideast issue. Tanaka overruled Ohira.

When London succeeded in deposing Tanaka at the end of 1974, Ohira hoped to replace him, but Takeo Miki succeeded and continued Tanaka's policies. Nonetheless the entire experience only increased Ohira's awe of London's powers.

As a result, when U.S. Treasury

Japan, has shown the ability over the years to outspend his rivals.

### Chinese connection?

In his election strategy, Fukuda severely underestimated the help Ohira would get from the Tanaka machine. Tanaka is still under pressure for the Wall Street engineered "Lockheed scandal" and it was thought Ohira would try to minimize his dependency on Tanaka as long as the cloud of political corruption hung over the former premier's head. It was also thought that Tanaka's political troubles would undercut his ability to raise money through his huge political patronage machine.

That Tanaka and Ohira were able to raise so much money to, in effect, buy the prime minister's office for Ohira, has raised the question of just where the money came from. Undoubtedly, a major source of the funds for the Ohira campaign came from the massive intelligence and "black operations" network in Japan controlled by the People's Republic of China. The Chinese have never hidden their intense support for Ohira and Japanese press reports have noted that China was very happy with Ohira's victory. Chinese Vice-premier Teng Hsiao-ping made clear Peking's continued interest in Tanaka when he visited the former premier while in Japan last month.

Tanaka's money, however, was only one crucial factor in determining Ohira's victory. Tanaka knew if he publicly pushed strongly for Ohira early in the campaign Fukuda would tar Ohira with Tanaka's "Lockheed" image. Tanaka only mobilized his forces at the last minute in a massive one-shot karate chop against Fukuda.

### The Tanaka question

In the end, it was the support of Tanaka that was crucial for Ohira's victory. The alliance between the two LDP leaders is little more than one of convenience however, as Tanaka now hopes to be able to use his influences over Ohira to ease the political and legal pressures on him due to the Lockheed scandal.

It is a bitter irony that Tanaka helped put into power a man whose political mentors were largely responsible for engineering the "corruption" scandals that led to his downfall in 1974. Though Tanaka set a precedent during his period as premier for many of the policies later pursued by Fukuda, today he is completely embroiled in legal battles and a political drive for undefined "revenge." This confused state of mind has opened the former premier to the kind of political manipulation represented by his alliance of convenience with Ohira:

—Peter Ennis

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Secretary Blumenthal attempted over the past year and a half to blackmail Japan to abandon development-oriented economic policies at home and abroad, then Liberal-Democratic Party Secretary-General Ohira advocated concessions to Blumenthal every step of the way, such as reducing exports. He opposed privately — he dared not oppose publicly — Fukuda's international economic initiatives this year. Instead, Ohira supported increased power by the International Monetary Fund.

### Ohira's roots

Ohira's beginnings as a public official came under the aegis of the pro-British Shibusawa-Mitsui networks in Japan. He was picked up by the Shibusawa Fabian "Christian" networks in the mid-1930s, when he joined the Salvation Army and began espousing the theories of 19th century "Christian Pacifist" Kanzo Uchimura. To this

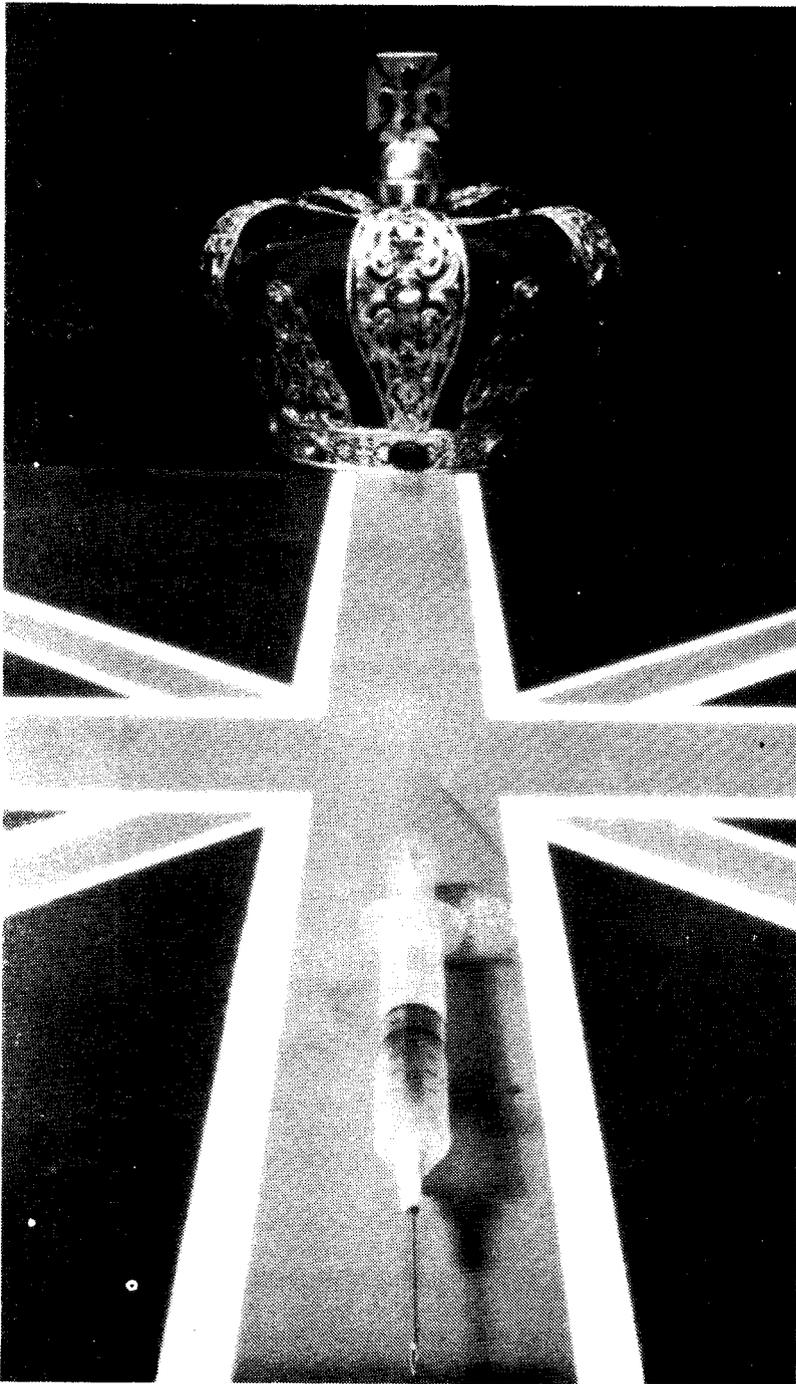
day Uchimura is a model promoted by the Shibusawa family-run International House of Japan, which also sponsors the terrorist Japanese Red Army and the anti-industrial terrorists who tried to shut down Tokyo's new Narita Airport this summer. Are Ohira's own Shibusawa family connections the reason he attacked Fukuda for "repressing" the Narita demonstrators?

In 1936, Ohira joined the Finance Ministry, then under the control of Sehin Ikeda, the head of Mitsui Bank and the self-described Hjalmar Schacht of Japan. Ikeda was the most important British and Shibusawa family agent within the Mitsui cartel and within Japan as a whole. He funded the pro-British "strike north" faction of the army in the 1930s. To this day, Ohira's advisers and political backers comes from this Shibusawa-Mitsui network.

On China policy as well, Ohira

differs markedly from the mainstream in Japan. The predominant policy in Japan is to seek friendship with China without letting that effort harm the establishing of close economic cooperation with the USSR. Ohira in contrast includes among his advisers men who have traveled to China to discuss military cooperation between Japan and China against the USSR, i.e., the Brzezinski "China-Japan card." It is known, in fact, that Peking provided funds to members of Ohira's faction this past summer. Ohira has admitted, however, that in practice it will be impossible for him to carry out his own inclinations in this matter.

Despite his own pro-London obsequiousness, that very weakness of will means that if sufficient pressure is put on Ohira in public to follow the "Bremen East" policies of the Fukuda administration, he can be forced to go along.



*The Story of the Century!*

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# The truth about the Moro murder breaks into Italy's press

*European Labor Party book is also scrutinized by Italian government*

"The Queen is responsible," headlined last weekend's *Panorama*, considered to be Italy's equivalent of *Time* magazine. "The Queen didn't work all alone: helping her were the English Secret Services, the Israeli Shin Beth, the Sovereign (Military) Order of Malta, the Socialist International, the aristocracy in general," *Panorama* flatly announced in a review of "Who Killed Aldo Moro," the drug-terrorism exposé produced by the European Labor Party (ELP).

The *Panorama* coverage coincides with both a Milan European Labor Party round table discussion held to pass on further intelligence of the drug-terrorism network in Italy, and the worst wave of terror since the events leading up to the January collapse of the former Andreotti government and the subsequent kidnapping of Moro three months later.

Those knowledgeable of the *Panorama* editorial policy, as well as its financial backing in the circles of FIAT magnate Gianni Agnelli, were no doubt shocked to see the magazine detail the documentation by the ELP of the British-Zionist dope-peddling circles which carried out the attack on Moro. However, *Panorama's* worry that the Italian authorities are actually acting on the ELP evidence was expressed in their version of the exposé, edited to read as assertions with no proof.

Nevertheless, it is well known among relevant circles that the ELP's Moro brief is under close scrutiny inside the Interior and Justice Ministries and the security services, who snatched up all available copies at the nationally attended press conference where the brief was first presented to the public earlier this year.

## Drugs and murder

The European Labor Party recently sponsored a highly successful round table discussion on the drug problem in Milan, Italy with the participation of Italian Communist Party members, the Milan and Veneto antidrug centers, a magistrate, various newspapers including the Catholic *Studi Cattolici*, and others.

Speakers at the discussion laid out in detail the British-controlled international drug network and its interface with international — including Italian — terrorism, targeting those institutions and individuals

who must be exposed if the nation is to rid itself of the source of funding for the gigantic terror wave and accompanying destabilizations which now threaten the stability of the government. As leading individuals investigating Italian terrorism corroborated to the ELP just prior to the Milan round table discussion, drugs lie at the heart of the terrorist problems: it is the dope-peddling networks which fund terrorism, and drugs are the basis for recruitment into terrorist gangs.

Not surprisingly, therefore, the noted Italian Communist Party (PCI) judicial expert and journalist Mauro Brutto was murdered in the classical Italian-staged car accident the day before the ELP's round table discussion, after he had phoned the ELP to report that he was following terrorist leads into the Italian Mafia. Brutto's death was only the latest in a series of well-targeted murders of Italian investigators, including judges, responsible for unraveling the source of current, absolutely massive, destabilization operations including terrorism.

At press time the situation shapes up as follows: the "right-wing" side of the destabilization is being coordinated by Christian Democratic Senator Massimo De Carolis, noted subaltern of the Council on Foreign Relations, who earlier this month predicted an "Iran-style" wave of chaos to occur in Italy. De Carolis is currently touring Italy in the company of Enrico Pruner, secretary of the South Tyrol (Alpian) party who emerged victorious in last week's regional elections on a platform of creating a central "Europe of the regions" through the cooperation of the Alpian states under the leadership of the noted Bavarian neo-fascist, Franz-Josef Strauss.

De Carolis, in an interview Nov. 26 with *La Repubblica*, offered Strauss as his model, while announcing his Italian tour to organize the "mass of discontented supporters" of the Christian Democracy (DC). In fact, De Carolis will be activating throughout the peninsula the avowedly fascist networks of the convicted former head of Italian military intelligence, Miceli, who was responsible for orchestrating the attempted coup d'état of 1974. Miceli's fascist intelligence-terrorist networks are run by the noted Luzzatto family of Venice, according to highly placed

terrorist sources who should know: this is the same Strauss-allied Luzzatto family which helped finance the victory of the fascist parties in Italy's northern Alpi regions earlier this month and whose representative will be traveling with De Carolis.

That the wife of current U.S. Ambassador to Italy Gardner is a Luzzatto should be no surprise, given the often-documented role which the Italian ambassador has played in current and earlier destabilizations against the government of Premier Andreotti.

### On the 'left'

On the "left-wing" side of this terrorist scenario stands the Italian Socialist Party (PSI), and the PSI-controlled Italian Social Democratic Party (PSDI), and the Radical Party of gay rights activist Pannella. All three are now openly calling for a government collapse *before* Dec. 4, the date on which the European heads of state will meet to finalize arrangements for the Jan. 1 creation of the European Monetary System (EMS). PSDI Secretary General Pietro Longo is demanding a meeting of party chiefs with the Prime Minister to discuss the issue of Italian entry into the new monetary system, while PSI Secretary Craxi is openly calling for a new government which would abolish the current cooperation between the Christian Democrats and the Italian Communist Party.

Meanwhile "left-wing" terrorism operating out of the PSI, Pannella's radicals, and the interfaced Red Brigades gang continues unabated, escalating daily under the direction of the noble Pallavicini family, one of whose members is charged with the kidnapping of Aldo Moro.

Thus far the government has, however, managed to remain firm against this onslaught. As happened during the Moro affair, significant credit must be given to the government's decisive supporter, the PCI. Communist General Secretary Berlinguer has responded to targeted attacks on the cabinet's support for the European Monetary System by releasing an interview on Nov. 25 which for the first time grants the EMS unconditional support. The interview connects the need for the creation of a new world monetary system to the need for securing world peace and disarmament.

Berlinguer denounces the current international monetary system for preventing development and threatening peace, at the same time extolling the "intensive" role which Italy and the rest of Europe must play "to favor development of collaboration with the Third World, disarmament, the safeguarding of peace, (and) the transformation of the present international economic order which condemns more than one-third of humanity to hunger, underdevelopment, endemic diseases, and illiteracy."

## 'The Queen is responsible'

*Reflecting the enormous impact of the European Labor Party's book, "Chi ha ucciso Aldo Moro," Panorama of Nov. 28 ran the following coverage:*

Heading the plot was Elizabeth II of England. The British Crown, together with all of the world's monarchies (including the House of Savoy), have been attempting to destabilize the Italian situation for a long time. The ELP (European Labor Party), (a strange group, well-funded, self-defined as leftist, but suspected of being linked in reality to American conservative circles) is sure of it. In a book tantalizingly entitled "Who Killed Aldo Moro?", the ELP runs a 110-page story of the conspiracy. First of all the general organization and its commanders. The Queen didn't work all alone: helping her were the English Secret

### The monarchy, the left, and the right

As shown in this chart taken from *Chi ha ucciso Aldo Moro*, the European Labor Party's explosive expose on Italian drug-running and terrorism networks, the Sovereign Military Order of Malta, under the British Crown, sits directly on top of Italy's "left-versus-right" terrorist confrontation — "Strategia della Tensione" — and ties into both the right and left of the political life of the country, both the Socialist International (left) and the Black International (right), both Zionists (left) and the "Golpisti," or coup-makers (right).

In addition to identifying many personalities named here, the Nov. 28 *Panorama* coverage of the ELP book also identifies Indro Montanelli, editor of *Il Giornale*, Stefano Rodata, and Red Brigades "expert" for *L'Espresso*, Mario Scialoja as prominent press supporters for this the British "empire" in Italy.

Others highlighted here and mentioned in *Panorama* are Amintore Fanfani, right-wing Christian Democrat Senator, former fascist, and a member of the Sovereign Military Order of Malta (SMOM); Giorgio Amendola, member of the Directorate of the Italian Communist Party (PCI); Ugo La Malfa, President of the Italian Republican Party (PRI); and Bettino Craxi, present Secretary General of the Italian Socialist Party.

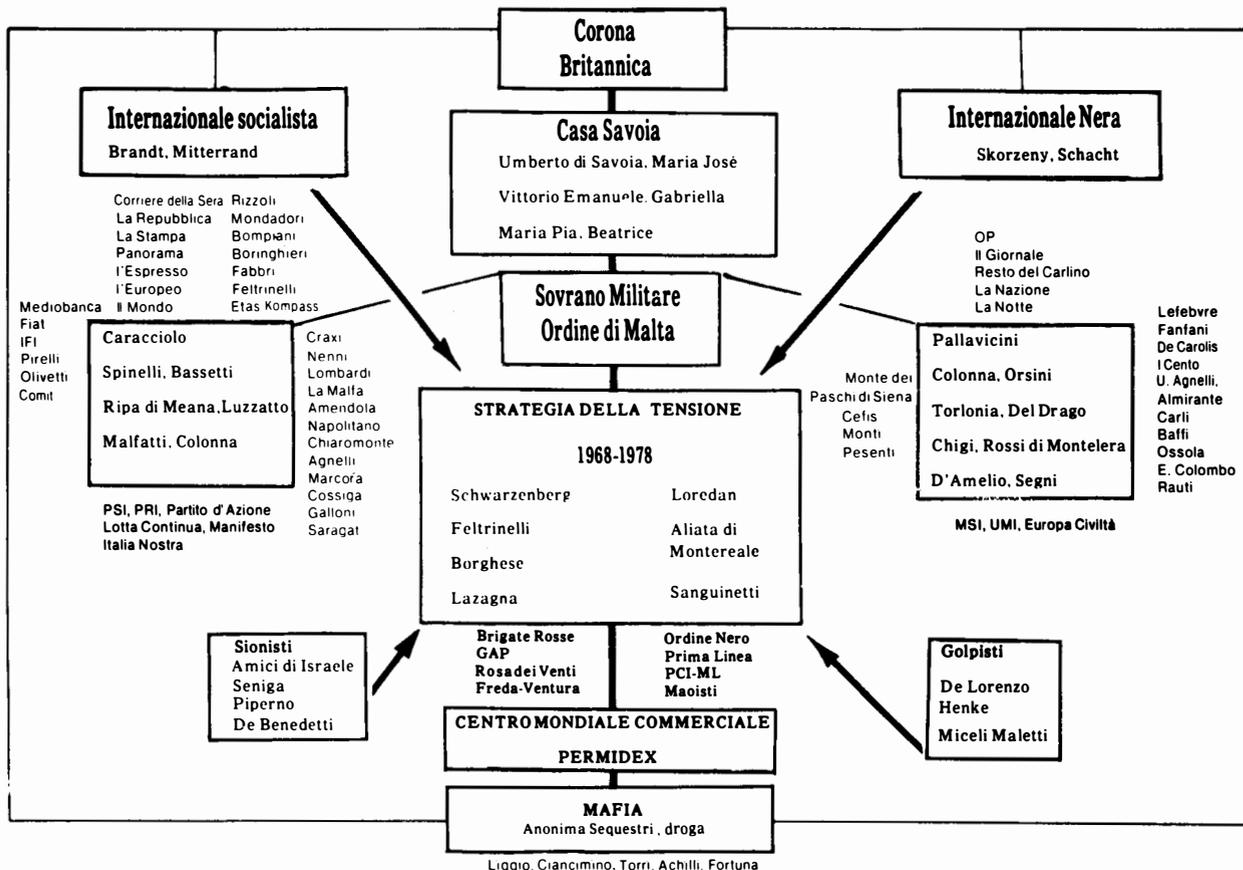
Services, the Israeli Shin Beth, the Sovereign (Military) Order of Malta, the Socialist International, the aristocracy in general.

Then come the supporters: the Nazi-British Mitterrand, the head of the Marseilles clan, the Socialist Michele Achilli, the organizer of the Mazzotti kidnapping, monarchist Indro Montanelli, all the members of the Caracciolo, Pallavicini, and Colonna families, Ripa di Meana, N. Bassetti, then Amintore Fanfani, Umberto Agnelli, Massimo De Carolis, Giorgio Amendola, Giorgio Napolitano, Ugo La Malfa, the inciter of prison upsurges Stefano Rodota, ENI's Mafioso Francesco Forte, the creator of the Red Brigades Francesco Alberoni, the Brigades' head Mario Scialoja, the terrorist-supporter and environmentalist Pannella, hoodlum and heir to the throne Charles of England, the Israeli agent Francesco Cossiga, the originator of red and black terrorism Giacomo Mancini, the notorious arms smuggler Victor Emmanuel, and finally the man who left his own calling cards in the Via Gradoli office, Bettino Craxi.

All these people, according to the ELP, form a perfectly meshed, trained organization. They have

already killed Martin Luther King, John and Robert Kennedy, and Enrico Mattei. On their hit-list are three other important entries: assassinate Helmut Schmidt, Giulio Andreotti and especially the half-known President of the U.S. Labor Party Lyndon LaRouche, the ideologue of the ELP and discoverer of the plot. But why did they kidnap and kill Aldo Moro? The ELP reveals the answer to this as well. Because Moro, along with the sane forces of Italy (Michele Sindona, Giulio Andreotti, Enrico Berlinguer, Luigi Granelli, Flaminio Piccoli, Giovanni Leone) and of the world (Pope Paul VI, Brezhnev, the Shah of Persia, Giscard D'Estaing, Helmut Schmidt, Takeo Fukuda), was attempting to realize the grand design for economic and cultural development, which he knew to be the only solution for Italy.

The order to kidnap Aldo Moro, according to the ELP, was given by British agent Piazzesi, the political editor of *Il Corriere della Sera*. On March 12, Piazzesi wrote a long article concluding with the following phrase: "Moro is one of those fatalists who accept death stoically — but only on one condition: that it come as late as possible." The ELP comments that this article was more than a death-knell, this was



the marching-order. In any case Piazzesi, according to the ELP, is one of those British agents who require major attention. Thus when he wrote on August 1 that Andreotti is "a man devoted to sacrifice, who demonstrates a reassuring vitality and energy despite the fact that he is sometimes pictured as almost dead or about to die," for the ELP this means that Piazzesi has fingered the next victim.

But why is it that the destabilization plot, the attempted coup d'etat of April to bring Fanfani (the representative of the Savoy wing within the D.C.) into power didn't succeed? In sum, the ELP says it was the firm position taken by the Vatican, the government and the PCI to outflank and foil the plot, despite the Anglophile press (Panorama, L'Espresso, La Repubblica, La Stampa, Il Messaggero), which did everything to create a favorable environment.

The ELP editors precisely point out the place where Moro was kept prisoner. It is probable that the apartment in question is the one owned by Prince Johannes Schwartzberg, Ambassador of the Knights of Malta. The Palazzo Schwartzberg, which has territorial immunity, stands at the corner between the Via delle Botteghe Oscure and Via Caetani. And why wasn't the Prince questioned about it? The plot thickens. The Prince himself, says the ELP, was surprised by the fact that nobody asked him about it. Why not ask him now? Too late: the conclusion by the ELP is typical of the classic mystery thriller. Prince Schwartzberg died, in a car accident, a few days after Moro's body was found.

### Berlinguer on Italy's world development role

*Enrico Berlinguer, Secretary General of the Italian Communist Party, recently provided his endorsement for the new European Monetary Fund. Here, we present his views on a particular problem which faces the new EMF as it begins operation Jan. 1, from an interview published in the Italian Communist Party's daily Unità on Nov. 24.*

*Q: Do you think that the support by the European workers' movement and democratic forces for the people of southern Africa has been or is sufficient?*

*A: No, it's still not enough. International solidarity cannot live only by indignant demonstrations and protests against the horrors of racism and apartheid. . . . There is a role that we think Italy could play in Europe to initiate a policy of cooperation with the countries of Africa: and there is an irreplaceable role that Europe should play in favor of developing world collaboration for disarmament, safeguarding of the peace, the transformation of the present unjust international economic order, which condemns more than one third of humanity to underdevelopment, hunger, endemic diseases, and illiteracy.*

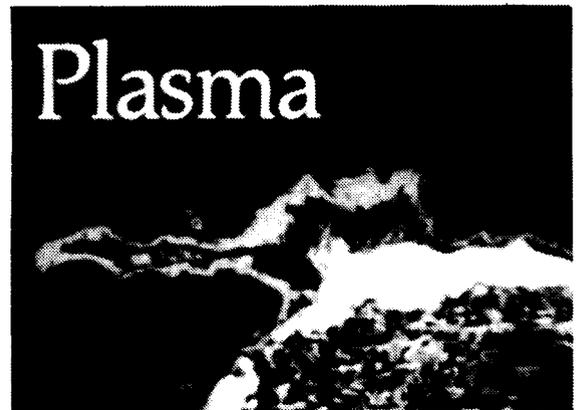
*. . . The same reasons for the civil and economic growth of the "metropolitan" countries (including*

Italy) — a growth that however must realize itself in different ways than currently — require a serious acceptance of the reasons for development and justice of the "Third World" countries, and the initiation with them of a policy of cooperation on the basis of equality. But that means, in Western Europe, a profound transformation of the economic structure and the social order, a change of the ruling class and the affirmation of a new system of values. It is only in these terms that it is no longer rhetorical to speak, as we do, of a more articulated conception of international solidarity, of common action for the overcoming of counterposed military blocs, and to prevent their logic from extending itself to other continents.

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# Dealing Latin America into the EMS

*The new monetary system offers industrialization and trade*

Spain's King Juan Carlos completed a two-week visit to Mexico, Peru, and Argentina on Nov. 30. The monarch's trip represents a step forward in concretizing Spain's role as a bridge between Latin America and the European community and the soon-to-be functional European Monetary System. Spanish Foreign Minister Marcelino Ovoja recalled Spain's "bridge" vocation on the eve of the trip, while Juan Carlos stated his goal of creating an Ibero-American Common Market and, as a *Le Monde* editorial of Nov. 20 noted, a "community of Ibero-American nations."

King Juan Carlos's tour is only the latest evidence of European and Japanese efforts to integrate Latin America into the EMS-based "Grand Design" for a new world economic order. These efforts have been focused most intensively on Latin America's two major economic and political powers, Brazil and Mexico.

Hans Friderichs, president of West Germany's Dresdner Bank, visited Brazil at the beginning of November to carry out the plan of his predecessor, Jürgen Ponto: integrating Latin America into the European Monetary System's campaign for world industrialization. Ponto was assassinated by Baader-Meinhof terrorists in August 1977, on the day he was to fly to Brazil.

Friderichs led a West German delegation to a meeting of the German-Brazilian Joint Economic Commission which worked out the details for expanding the German-Brazilian economic partnership. The commission reaffirmed the multi-billion-dollar model nuclear technology transfer program West Germany is providing Brazil, and removed obstacles to increased West German industrial investments in Brazil and rising Brazilian exports to Europe.

What the Europeans and Japanese are offering Latin America looks particularly inviting in contrast to the "appropriate technology" austerity programs offered the continent by the International Monetary Fund and endorsed by the U.S. Administration. Brazil's Foreign Minister Antonio Azcredo da Silveira opened the West German-Brazilian Commission session by declaring "Our first economic partner is the European Common Market, followed by the countries of the developing world and, in third place, the United States." Da Silveira cited, in particular, the tremendous growth in the past two years, of Brazilian

relations with West Germany, France, and Italy.

The most important agreement reached by the German-Brazilian Commission was that Germany and Brazil would work together on joint ventures in third countries in South America and, especially, in Africa.

At the end of the commission meeting, the Brazilian Foreign Minister let it be known that within the next month he will tour 10 African countries, including oil-rich Nigeria. His ministry also announced that West German Chancellor Helmut Schmidt will visit Brazil in late April 1979 to further bilateral relations between the two countries.

Jürgen Ponto's original conception was to use European-Latin American relations to "build bridges" between black and white Africa on the basis of economic development, as the best guarantee of permanent peace on that continent.

The theme of joint economic cooperation in Africa was also a top agenda item in the talks between Giscard d'Estaing and Brazil's President Ernesto Geisel during the French President's visit to Brazil last October. Giscard's visit, the first by a French President since DeGaulle's 1964 trip, was heralded by French financial press as picking up where De Gaulle left off in his attempts to bring Latin America into a European strategy opposed to the IMF-controlled international economic order. Brazilian press confirmed that Giscard fully briefed Brazilian leaders on the European Monetary System which he and Helmut Schmidt have created.

## The Japanese plug in dollars

The Japanese, in conjunction with their European allies, have been playing a unique role in financing the introduction of the Grand Design into Latin America. The most advanced political expression of this thrust is in the agreements reached between Mexican President Jose Lopez Portillo and Japanese Prime Minister Takeo Fukuda during Lopez's visit to Asia last month. (See our Nov. 14-20 issue, Vol. V, No. 44, for details.) Those agreements have now paved the way for extending Japanese investment throughout South America.

Kawasaki Steel of Japan, for example, is so intent on building a \$3 billion steelmill in Brazil, in partnership with Finsider of Italy and the Brazilian government, that Kawasaki has persuaded a group of

Japanese banks to finance most of the Brazilian share of the mill. The Japanese decision to press ahead with this project, which will produce 3 million tons of semi-finished steel per year primarily for export, clearly points to a Japanese view of an expanding world trade situation — not a trade collapse and recession. The arrival in Brazil last week of Toshiro Doko, head of the powerful Japanese business group Keidanren, indicates that the Kawasaki deal is only the beginning of even more ambitious projects.

The impact of the obvious opportunities offered by integration into the European Monetary System is hitting strongly in Brazil. Indicative of the potential EMS influence on internal politics is the uncharacteristic statement Oct. 16 by newly-elected Brazilian president Gen. Jose Figueredo praising the “brilliant foreign policy” of Foreign Minister da Silveira — orienting Brazil increasingly toward Arab and African markets and toward European and East bloc trading

partners — as the most important accomplishment of the Geisel period. Figueredo, who a year ago explicitly stated that Brazil did not need Japan-style intensive industrialization, recently told press that Brazil wants expanded trade relations with Japan and Japanese technology transfer.

The Japanese also played a spoiler role against the International Monetary Fund in the Nov. 2 “Paris Club” renegotiation of the debts of bankrupt Peru. The Japanese had demanded an arrangement designed to maintain a high rate of trade between the two countries, essentially on a barter basis. This proposal panicked Peru’s monetarist creditors, who were pressing Peru to slash its imports. According to the *New York Journal of Commerce*, the Japanese motion was finally beaten down by representatives of the Carter Administration at the debt renegotiating meetings late last month.

— Mark Sonnenblick

## EMS foes rage: ‘U.S. should have A-bombed Germany’

*The strong EMS deployment to Latin America was, predictably, met with a counterdeployment from the EMS’s bitterest foes. During French President Giscard’s early October visit to Brazil, the wing of the Brazilian Social Democracy closely associated with Willy Brandt and his World Bank commission on “appropriate technologies” for the Third World swung into action. Folha de Sao Paulo, a Brazilian paper with strong influence in nationalist industrial circles, dispatched its most cynical columnist to Europe, German-born New York columnist and Second International sympathizer Paulo Francis (also known as Franz Heilborn). Here are some samples of his columns on the subject.*

*“Helmut Schmidt Is Winning the Third (World) War” appeared in Folha, Oct. 11, datelined Paris:*

The so-called European Monetary System, a creation of Schmidt with the aid of Giscard, is the order of the day. France, with 1.5 million unemployed . . . is a satellite of Bonn. . . . Schmidt’s monetarism

is now the dominant ideology in Western Europe. This conception implicitly excludes countries like Brazil (despite the speeches and agreements signed by Giscard in Brasilia) from any role except as providers of raw materials and recipients of exported technology, capital, and multinational companies.

*“Europe: The Specter of Unemployment” followed in Folha on Oct. 24, datelined London:*

What I write is the product of several “briefings” from English authorities (that is, MP’s), diplomats, and financiers. All are unanimous in observing that the structural decadence of the American economy, shown in the uncontrollable devaluation of the dollar, obligates all industrial nations to adopt protectionist systems. This is what Mr. Helmut Schmidt is propounding and everybody in Europe gradually accepting, with marginal differences. I ask, what will happen to the Third World (which, after all, depends on its export earnings to pay its debts) in the face of the barriers created in Europe and the United States? The answer is that the Third World must recognize its place in the order of things. . . . This type of protectionism produced the De-

pression of 1929 and the Second World War.

*Finally, “Is Germany Necessary?” appeared in Folha, Oct. 25:*

If it had been up to me, it would not have been on Japan that the Americans tried the atomic bomb. In retrospect, few things irritate me more than Stalin having silenced Ehrenburg on the radio when he incited the Soviet troops to mass murder of Germans, or Roosevelt’s having dropped the plan of his Treasury Secretary Morgenthau to pastoralize Germany. American economic life would have been better today.

. . . The ethos of German civilization is authoritarian, robotized. . . The Thyssens, the Krupps and the Farbens — the men who built and profited from Auschwitz are all here today and in power, disguised. And they were not even the killers of Rosa Luxemburg; the killers were the social democratic ancestors of Helmut Schmidt. . . . The Baader-Meinhof whose methods and objectives I do not admire, are perfectly comprehensible from the German psychological perspective.

Today, for sure, they disguise themselves. But, really, they are the most recognized assassins in history.

# Vote machine tampering in Maryland

*Freeman challenges Mitchell with evidence of 'recount' at the warehouse*

"We thought the 1978 election was over," began the six o'clock news in Baltimore last Tuesday night, "but Debra Hanania Freeman is going to the State Board of Canvassers on Thursday to show the election results were wrong."

"Wrong" was something of an understatement. The election results in Maryland's 7th Congressional District pitted incumbent Democrat Parren Mitchell against Independent Hanania Freeman in one of the most fraud-ridden elections in recent history. Hanania Freeman claimed victory ("she even called our office and asked when she could move in," said one Mitchell aide) and went to court.

## Windows, ladders and keys

But bigger even than the fraud was the coverup of the fraud, in the Mitchell machine's race to certify the election. Representatives of the Hanania Freeman campaign committee went to the warehouse where the voting machines were stored to make sure there was adequate protection against post-election tampering while a writ made its way through the courts. They were staggered at what they found.

"There were no Baltimore City Police inside or outside the warehouse; there were no uniformed security guards in or about the warehouse; the so-called 'ADT Protection Service' to protect the integrity of the machines was nothing more than an alarm system on certain of the warehouse doors and windows," one campaign worker declared in a sworn affidavit. Not only that, many of the windows were broken anyway, with a ladder leaning up against one, a full set of keys to all of Baltimore's voting machines was left unguarded and lying out on a counter, and many of the machines were improperly sealed or hadn't been sealed at all.

Photographs were taken of the broken windows, keys, ladder, and unsealed machines and affidavits submitted to the courts. The Board of Canvassers responded with an extraordinary remark that showed how much electoral honesty had decayed since the Nixon-Lodge ballots were found floating in the Chicago River in 1960. "We're going to certify this election no matter what," Maryland Board of Canvassers Secretary Willard Morris declared to Hanania Freeman officials. "Even if you get an injunction, we'd still certify the election."

Hanania Freeman's court fight demonstrates that the Baltimore City Board of Supervisors of Elections flagrantly violated the law in their purported certification of the election on Nov. 20. But both city and state officials are rushing to certify the election before even more evidence is gathered. They are being aided by Chief Judge Anselm Sodaro, who is sitting on the evidence presented to his court, allowing the clock to run out while the state election board puts its imprimatur on the vote heist.

Sodaro, stung by a leaflet distributed in Courthouse Square last week that denounced him personally, did a complete about-face and agreed to rehear Hanania Freeman's motion for an injunction. On Nov. 21 Sodaro refused to hear any evidence and then dismissed the Hanania Freeman complaint. He based himself on the representation by the assistant state's attorney that the city board had certified the election, so the motion for an injunction and voting machine inspection was moot.

But within hours the state's attorney's office called Hanania Freeman's lawyers to confess that they had made a "mistake" and that the election was only "verified," not "certified." Hanania Freeman's attorneys resubmitted the motion for an injunction against the certification of the election, and the hearing was set for Nov. 27. There, Hanania Freeman and her representatives presented testimony on the ridiculous security conditions at the voting machine warehouse, all of which were completely confirmed by the president of the Board of Elections.

## Election code violation

At the Nov. 27 hearing, David Preller, president of the Board of Elections, also described how he had gone ahead and certified the election, even though Hanania Freeman's representatives had not yet had the opportunity to exercise their legal right to verify the vote on the machine. "We would have certified the election no matter who was standing there," boasted Preller, proving Hanania Freeman's attorneys' contentions that the certification was in blatant violation of the Maryland Election Code. Preller failed to mention that he had threatened to have Hanania Freeman's representatives arrested when they appeared at the warehouse to verify the vote totals — at the written invitation of the Board of Elections.

## **“In all fairness”**

Whatever action the state board takes, Hanania Freeman will escalate her battle against the corrupt judicial and electoral machinery in the state of Maryland, with actions planned for both federal court and in front of the U.S. House of Representatives. Meanwhile, a Baltimore television station is running an editorial calling on Hanania Freeman “in all fairness” to abandon her campaign and, most important, “take down those damn posters,” which are all over Baltimore saying she won the election. The posters have elicited dozens of calls to the office from Hanania Freeman’s constituents who have been enduring the Mitchell machine for eight years, ranging from complaints about broken traffic lights to best wishes in her new office.

## The legal argument from both sides

*The fraud in Maryland left Debra Hanania Freeman with 11 percent of the vote against Parren Mitchell’s 89 percent. Hanania Freeman had expected to win, and found sufficient evidence of vote fraud to go to court to get an injunction.*

*Not surprisingly, the whole affair soon began to reek of collusion between the court, the Board of Elections, and the backers of Parren Mitchell. The Baltimore Board of Elections moved to dismiss the petition for a writ of mandamus and preliminary injunction on the grounds that it would “serve no just or useful purpose,” apparently on the line that the election results were so lopsided that they should be immune from legal scrutiny. That left the Mitchell machine to answer what objection such honest and confident souls should have to an inspection of the machines by the opposition.*

*Following are excerpts from court arguments and affidavits of the defendants, the Baltimore Board of Elections and its president David J. Preller, and from Edward Spannaus, ballot specialist engaged by plaintiff Hanania Freeman.*

### **Protection ‘adequate’: Board**

*From the Board of Elections court argument against Hanania Freeman request to impound voting machines, allow full examination of voting machines, and enjoy certification of the election until that has taken place:*

Plaintiff is an unsuccessful candidate. . . defeated by Congressman Parren Mitchell—51,996 votes for Mitchell, 6,628 votes for Plaintiff Freeman. She

alleges that Defendants did not take “adequate measures to protect the voting machines” after the election. . . . She asks this Court to impound voting machines, to issue a Writ of Mandamus and Order compelling Defendants to allow her to “fully examine voting machines”. . . (and) to enjoin the Defendants from verifying and certifying the election. . . .

It should be stated at the outset that mandamus will never be granted if it would be nugatory or serve no just purpose.

### *The reply on charges of inadequate protection of the machines after the election:*

(. . .) it seems clear from its context (of electoral statute Article 33, Section 16-10—ed.) and from the fact that election judges and polling place custodians are referred to that this section deals with protection of voting machines prior to and during, not after an election. But even if it is assumed that this provision does deal with post-election security of voting machines, it is clearly a discretionary proviso—i.e., the Board is to call on the police to furnish such assistance “as may be necessary.” The Board did not and do not regard such measures necessary here.

*Board of Elections chief Preller admitted some election machines were never sealed, but asserted that “in my view,” adequate protection was provided:*

7. The election judges are employed for two days a year, at most, and sometimes two or three years pass between elections. (The last election prior to 1978 was held in 1976.) Some of the election judges have never served as election judges before. While they are carefully instructed as to their election duties pursuant to Article 33, Section 2-7(g), they are human beings and, in my experience, it is clear that a small number of the 2,249 election judges are confused and do not affix the seal on the voting machines correctly. However, in my view and that of the other members of the Board, the other safeguards set forth in Article 33, Sections 16-15 and 16-16, including locking the machines, noting the number of voters as shown on the public counter, and the number registered on the protective counter, along with the other measures outlined in Paragraph 8, provide adequate protection for the machines.

8. In addition to the measures taken by the election judges pursuant to Sections 16-15 and 16-16 in protecting the voting machines, two full-time employees at the warehouse prevent any unauthorized persons from entering it. All of these measures seem to me, and the other Board members, to provide ample protection against tampering with and damage to the voting machines and accordingly, we did not and do not feel any police protection of the machines necessary.

## 'Gross irregularities': ballot specialist

*Excerpts from affidavit of Edward Spannaus, ballot security specialist for U.S. Labor Party legal staff, New York City.*

3. In the course of conducting these investigations (on ballot security measures—ed.), I have been told by numerous voting machine experts and election officials that voting machines can be tampered with and rigged in numerous ways, so that the machines will not accurately register votes cast. This includes rigging a machine so that the counter stops at a pre-determined level, so that it repeats the 0-9 cycle without ever transferring to the 10's column, and even transferring votes from one candidate to another.

4. On or about November 17, 1978, I was asked by Mrs. Debra Hanania Freeman to come to Baltimore to represent her at the canvass of voting machines to be conducted on November 20, and to examine the voting machines to determine if they were functioning properly or if they had been tampered with.

5. On the morning of November 20, I went to the warehouse accompanied by Mr. Robert Primack. At approximately 11:00 o'clock a.m., after a number of delays and threats of arrest from Board of Supervisors of Elections officials, I was allowed to observe the voting machines used in the November 8 elections in the 7th Congressional District. I and Mr. Primack continued to observe the machines until approximately 3:15 p.m., when the warehouse closed for the day. I examined perhaps 75 machines of the 600-700 used in the 7th Congressional District. I also observed conditions in the warehouse itself.

6. During the course of my observations I saw the following conditions:

- a. broken and improperly-placed seals on voting machines;
- b. discrepancies between the numbers registered on the protective counters on the machines and the numbers recorded on the poll judges' return sheets.
- c. discrepancies between the numbers registered in the public counter outside the machine and the public counter inside the machine;
- d. discrepancies between the numbers registered on the public counters and the numbers recorded for the public counters on the poll judges' return sheets;
- e. discrepancies between the votes recorded on the poll judges' return sheets and the votes registered on the machines;
- f. other types of damage to machines; and
- g. totally inadequate security conditions in the warehouse, with keys on all the machines while the front door was sometimes unlocked and broken windows existed in various locations of the warehouse.

Each of these conditions will be described in more detail immediately below.

7. I observed broken or misplaced seals on at least ten machines, including the following machines:

#63298, #84292, #89493, #89494, #84294, #89800, #89801, #89802, #89803. The seal is supposed to be placed on the machine by the poll judge at the close of the polls (see Article 33, section 16-15(b) of Maryland Election Code). . . .

8. I observed one instance where a seal was broken on a machine, and then was illegally replaced a few hours later. As Mr. Primack and I were leaving for lunch, accompanied by a custodian, we observed that the seal on machine #133177 was broken, which we pointed out to the custodian. Later, as we were leaving around 3:15 p.m., we saw to our surprise that a new seal had been placed on machine #133177. The serial number of the new seal was #48275.

9. I observed a number of discrepancies with respect to the protective counters. The protective counter is sometimes called the "perpetual counter;" this counter registers each time the machine is voted or each time the machine is opened. Any discrepancies on the protective counter are highly significant, as the counter is always portrayed as the basic protection against machine tampering. (See Exhibit 5, part of a document by the AVM Corporation called "Can Automatic Voting Machines Be Rigged?" in which the purported role of the protective counter is explained.)

10. The following are among the protective counter discrepancies observed:

- a. Machine #89864 (Ward 9, Pct. 24) recorded on returns statement as 01284, but reads 012846 on machine.
- b. Machine #84294 (Ward 5, Pct. 1, also sealed wrong) recorded as 14673, but reads 14674 on machine.
- c. Ward 6, Pct. 3, both machines recorded wrong; one recorded as 14004, but reads 14097; the other recorded as 11058, but reads 11154.
- d. Machine #112545 (Ward 19, Pct. 4) discrepancies between protective counter figure and public counter figure; protective counter should read 8739 not 8738 to equal the 84 votes on the public counter.
- e. Machine #112546 (same pct.) the key package recorded the protective counter as 6166, although it read 6243 at the opening according to the return sheet.

It should be emphasized that since this counter registers any opening of the machine, a discrepancy of even one number could represent tampering resulting in the loss of tens or hundreds of votes. . . .

16. While I was at the warehouse all the keys for each machine were hanging visibly from the machines. This included the #2 and #3 keys used by the poll officials, the #4 key used by the custodian to access the counters, and the "0" key used to open up the inside counter mechanism allowing the counters to be reset or changed. At the same time the warehouse appeared only to have the most minimal security precautions — the door was sometimes unlocked, windows were broken, and locks to doors accessible. No police or uniform security guards were present at any time. . . .

# Israeli intelligence taking over CIA

*Zionist lobby targets U.S.-Arab economic ties in bid to hamstring*

A concerted drive against independent U.S. intelligence-gathering capabilities has been launched over the past two weeks by the Israeli Mossad foreign intelligence service in cooperation with top-level circles of British intelligence and the U.S. Anglophile faction centered around National Security Council head Zbigniew Brzezinski and former Secretary of State Henry Kissinger. Targeting primarily key traditional American business and industrial contacts with important ties to the Arab nations and to Iran, this drive has the aim of circumventing U.S. opposition to an Israeli escalation of the Middle East situation, up to and including Israeli use of nuclear weapons in long-range strikes against Arab Gulf oilfields. A related intent behind crippling of the U.S. Central Intelligence Agency is to fix U.S. operational dependency on the Zionists and the British for evaluations and policy guidelines.

To these ends, several emergency Zionist Lobby operations have been set into motion — all signalled by the Nov. 15 appearance of Israel's head of Military Intelligence, Shlomo Gazit, before a special Senate staff session where he made the central point that American intelligence in Iran had "failed" and that Israel had had a "better reading" of events there. Since that time, key Zionist lobby controllers have begun an extensive slander and watergating campaign against those Americans who have tried to develop strong business and other ties with the Middle Eastern nations.

The chief front organizations for the Mossad, the B'nai B'rith Anti-Defamation League and the American Jewish Committee, are spearheading the Israeli drive. Both Zionist organizations recently initiated a propaganda attack aimed at American businesses and industries that deal with the Arab world, "pro-Arab" American leaders such as Bert Lance and John Connally, and — in the words of the ADL — "former U.S. CIA operatives once stationed in the Middle East and now collaborating with the Arabs."

In two massive reports issued last week, the ADL and the AJC name hundreds of Americans, who, they claim, are "Arab agents." (See accompanying article.)

In somewhat more academic language, the Jewish Committee report, authored by Massachusetts consultant Louis J. Walinsky and a long-standing Mossad collaborator, former New Dealer, economist Robert R. Nathan, titled "Arab Investments and Influence in the United States," sets as its key objectives:

to explore a) the recent explosion of Arab investments in the U.S.; b) the manner and degree to which they have contributed to the enormous exercise of U.S. policy decisions and private sector behavior; and c) to consider what U.S. government policy responses to these developments may be necessary, appropriate and desirable to safeguard our national interests.

This introduction sets off a 37-page diatribe against "Arab power and influence in the U.S.," followed by a 12-page appendix that documents, item by item, 84 cases of either "Arab Direct Investment in the U.S., 1974-1978" or "Arab Contracts Awarded to U.S. Firms, 1974-1978."

The content of the report, often rambling and unfocused, is an analysis of "Arab Investments in the U.S.," a section more remarkable for what it covers up rather than reports. Filled with tables to document the ostensible disparities between the total oil countries' surpluses and the "combined current account deficits of the rest of the world," the report displays great concern over strange money flows — but without once referencing the massive distortions in world money flows created by the illicit international drug trafficking and related offshore banking operations. This process, Nathan and Walinsky are undoubtedly aware, is controlled from the top by British and Zionist financiers.

## The aerospace-commercial bank campaign

The AJC's report occurs in the larger context of a Zionist lobby watergating campaign unleashed against those networks essentially interfacing the U.S. commercial banks and the high-technology U.S. air freight carrier-aerospace sector.

The centerpiece of this campaign was an unusual series of exposés made before a Senate Judiciary subcommittee on Nov. 22 by a Morgan Guaranty

# policy making

## peace advocates

executive vice-president, Harrison V. Smith. In response to questions from Ohio's Senator Howard Metzenbaum, a Zionist lobby favorite, Smith suddenly revealed that "three oil-rich Arab nations have invested \$2.2 billion in major U.S. corporations including significant ownership blocs in six airlines," according to a front-page account in the Nov. 23 *Washington Star*.

In an article entitled "Arabs Invest \$2.2 Billion in U.S. Firms," *Star* staff writer Leonard Curry emphasized that Smith's revelation was "the first disclosure of Arab investment in top-tier American companies since the petroleum exporting countries inflated world oil prices five years ago and began accumulating billions of dollars."

According to Curry, Smith detailed Morgan's hand in investing money for Saudi Arabia, Kuwait, and Abu Dhabi in equity positions, in some cases amounting to a near "controlling interest," in Seaboard World Airlines, Trans World Airlines, Braniff, Eastern, United, and Airborne Freight Corporation.

Hearing these details, Metzenbaum snorted, "This

looks more like reconrol of the airline industry rather than decontrol." Notably, the *Star* article concludes suggestively that "under federal law a U.S. airline would lose its right to operate in this country if more than 25 percent of its voting stock is owned by foreigners" — a clear implication that the airline industry as a whole is about to be hit by a Zionist Lobby-British financing scandal.

Corroborating this is a pattern of reopening of dossiers implicating U.S. air corporations in various bribery scandals. Thus, in Egypt, officials of Egypt Air with historical links to Seattle's Boeing Aircraft have come under investigation during the past two weeks for having accepted bribes. And in Iran, the dossier has suddenly been reopened on a two-year-old case involving "dubious dealings" and "questionable payments" between New York State's Grumman Corp. and Iranian military officials, according to a Nov. 28 piece by *Wall Street Journal* reporter Jerry Landauer. In a piece titled "Jets and Iran: Documents at Grumman Raise Questions About Role of Shah's Aides in Plane Sales" Landauer predicts an immi-

### Great Britain pushes 'astonishing arms sales' in Persian Gulf

*In a Nov. 28 interview, one of Washington's most respected experts in the field of military developments in the Middle East laid out the alarming prospect that Great Britain has begun to undercut both American and French interests in the Middle East through a rapidly expanding arms sale campaign throughout the area. The source began by evaluating recent evidence that the French are having sudden difficulties in marketing aircraft and other military equipment to Egypt and other Arab countries under contracts previously worked out between France and the Arab Gulf-funded Arab Military Industries Organization (AMIO). He continued:*

Reports are now circulating around Washington that the British have stepped into the AMIO situation in a big way, trying to market their Hawk jets.

This follows other reports that the British have been showing that plane off to various Middle East airforces, including Abu Dhabi, Jordan, Kuwait, Egypt, Saudi Arabia, and others. There is growing competition between Britain and France on this, and maybe growing British competition with us as well. But the basic struggle is between Britain and France.

This is part and parcel of a very active British program to sell arms abroad. The British, as a matter of national policy and not just aerospace interests' policy, have launched an astonishing sales effort abroad, including various delegation tours of the Gulf. The latter delegations are obviously in competition with the French and the Americans, and there are reportedly new goings-on between the British and the Saudis.

ment Securities and Exchange Commission investigation into an interlocked series of cases — all of which were first dredged up two years ago! Not only Grumman is involved in this nexus, Landauer emphasizes, but also Rockwell International, the Bell Helicopter Division of Textron, Inc. and Avco Corp. On the Iranian side, the targeted individuals have been individuals “extremely close to the Shah” and “strong supporters of U.S. defense interests.”

These scandals fit into larger relevant patterns, most particularly what one highly informed Washington source refers to as Great Britain’s “astonishing arms sales efforts abroad,” especially in the Persian Gulf (see box).

Equally significant is an attempt to leverage the air industry investigations into a general investigation into the entirety of Arab-U.S. economic relations — exactly as per the ADL and AJC’s recommendations. Thus, gleefully describing Harrison Smith’s revelations as “totally unexpected” and Smith himself as a “turkey,” as he “spilled all sorts of things he didn’t have to spill,” an aide to Metzenbaum gloated that “the Arabs will probably now take their money out of Morgan in anger at what Smith has done; this could soon spill over to hit the Citibank and Chase connection to the Arabs.”

Similarly, a second aide involved in Metzenbaum’s subcommittee told this journal Nov. 29 that “it would be a logical progression” for the Metzenbaum questioning to extend into the “general nature of the highly diversified Arab portfolios into energy, defense, and utilities.”

This push, in turn, traces back to a mid-November privately announced campaign by retired General Julius Klein, one of the nation’s highest-up military connections to Israel’s Mossad and a leading Chicago area-based controller of Zionist lobby activities, to “go after David Rockefeller and Robert Abboud” (presidents of Chase Manhattan and First National Bank of Chicago, respectively) for “being at the center of the Arab big money relationship to the U.S.”

### **The Israeli Military Intelligence connection**

In a parallel operation to that of Julius Klein, the Zionist Lobby has taken an active role in the Administration fight to reshape the Central Intelligence Agency’s foreign operations. Two weeks ago General Shlomo Gazit testified before 25 senatorial aides on the controversial issue of CIA incompetence in dealing with Iran’s crisis. Gazit, according to the *Washington Post*, stated that the CIA did not know about the building crisis in Iran until it was briefed by Israeli intelligence. What Gazit, of course, did not state is that Mossad has well-known intelligence penetration into Iran and directly interfaces with the militant Iranian opposition, most importantly the fanatical Ayatollah Khomeini, who was identified by highly placed French sources as a “top Mossad agent.” Khomeini has been exiled in

Paris since his ouster from Iraq two months ago.

The issue of Israeli intelligence expertise on Iranian intelligence is also increasingly being highlighted in press sources with known links to liberal pro-Israel circles in the U.S. The *Christian Science Monitor*, Nov. 28, praised Mossad’s intelligence capacities in Iran as better than those in the U.S., and states that Israel is “concerned” over the well-being of Iran’s oilfields in the event of a new upsurge.

Mossad’s intervention into the Administration’s policy towards Iran is meant to undercut the established traditional “old boy” connections between the Iranian court, the military, and Iran’s secret police, SAVAK. As a result of Israeli and allied British intelligence attacks on the Shah using such opposition leaders as the octogenarian Khomeini and other Shi’ite and Sufi sects, these longstanding traditional intelligence networks in Iran have suffered. Now, Israel and its allies are trying to destroy the CIA by charging it with “incompetence” in failing to “predict” the revolt in Iran.

— Mark Burdman

### **Zionist intelligence expert: ‘Washington clearly failed’**

*The following are excerpts from an article by former Air Force Middle East intelligence coordinator Joseph Churba, which appeared in the Nov. 30 Baltimore Sun under the title “Strategic Stakes in Iran.” In the piece, Churba — collaborator of warhawk retired Air Force Gen. George Keegan and a known creator of the Jewish Defense League — builds up a picture of a massive Soviet threat to Iran as a means of “proving” the unreliability of American intelligence services in responding to “Soviet expansionism.”*

Fundamental questions of Western security are being raised by the gravity of the current turmoil in Iran. . . . Were Moscow to acquire a hold on Persian Gulf oil, the political and economic effects on NATO and Japan would be catastrophic. . . . In retrospect, Washington clearly failed to appreciate the extent to which Iran’s concepts of national security were identified with the person of the Shah.

Thus far, Moscow has maintained a deceptive public neutrality toward the Shah’s plight. Presumably, such pragmatism will continue until the Kremlin judges the time right to strike against the Shah. . . .

Another disquieting point in America’s “Iranian policy” relates to the presumption of Iran’s domestic stability despite accelerated modernization. There remains a general tendency in the National Security Council and State Department to understate the sectarian and ethnic nature of Middle East society. Such fragmented societies, lacking internal cohesion, are inherently unstable and therefore never fully reliable for strategic sustenance. . . .

# ADL's corporate, intelligence hit list

*Report ties all U.S. links to Arab nations, firms, to 'Jew-baiters'*

*On Nov. 18, the Anti-Defamation League of B'nai B'rith released a report — by their own admission "the first of several" — on "The Arab 'Lobby' in the U.S.: Friends and Agents."*

*The report was accompanied by a press release issued by ADL general counsel Arnold Forster, who is otherwise widely known for the incident in which he is alleged to have participated in painting swastikas on synagogues to heighten Jewish fears of anti-semitism. Typical of the legal lying employed by Forster and the ADL in constructing the report is the concluding section. In that section, the relationships of all U.S. citizens with Arab nations and firms is compared with the case of Nazi crackpot William N. Grimstad.*

*The irony of the ADL call for greater Congressional control over the "Arab Lobby" is the virtual free rein enjoyed by the U.S. Zionist lobby in Washington and their wildly subversive influence on American institutions and strategic interests.*

*According to the press release accompanying the report:*

The report, issued in conjunction with ADL's four-day national commission meeting at the New York Hilton Hotel through November 20, is the first in a series being prepared by the agency on various aspects of what it calls "the Middle East connection" in order to understand the extent and impact of Arab influence in the U.S.

According to Arnold Forster, ADL's general counsel, the Arabs are insinuating themselves into U.S. government, political and business circles with the help of former top American government officials....

The ADL report acknowledges the new "Ethics in Government Act of 1978," enacted by Congress and signed into law by President Carter on October 26, but says the section on conflicts of interest does not go far enough, in view of the record of activity by former U.S. officials on behalf of Arab governments and private Arab clients. The law, which becomes effective July 1, 1979, imposes certain prohibitions and restrictions, including time bars, on some activities by former officers or employees of Executive Branch departments and independent agencies of the U.S. government.

The League cited the following as "gaps and weaknesses" which should be remedied; — The law does not apply to former members of the Senate and the House, to their administrative aides and staff, or to other former employees of the Legislative Branch, such as counsel and staff members of Congressional

committees and subcommittees; — The law's provision of one and two year waiting periods, aimed at preventing conflicts of interest, before former officials of U.S. departments and agencies may work for foreign principals or governments is too short to protect the public interest adequately; — In the case of former officials of the CIA, U.S. intelligence, security and defense agencies, the law should impose even longer waiting periods than for the others ....

\* \* \*

*Below are excerpts from the report itself, with each section labeled using the report's original subtitles:*

## Introduction

Who are the principal influence peddlers, contact men, lobbyists, lawyers, publicists and consultants working as Arab emissaries in this country? The "Middle East Connection" — is it a euphemism for conducting big business, or influencing American foreign policy, or a bit of both? And why do the Arab states recruit — offering eyepopping retainers — from an elite roster of former U.S. Government and military officials?

The answers to these questions are to be found in the activities of Americans who make up the Arab lobby in Washington, New York, Atlanta, Houston and other key political and economic centers in America ....

The intense lobbying and "public relations" activities by Saudi Arabia and its American representatives in the spring of 1978 raised fundamental questions about the goals, depth and methods of Arab influence in the U.S. This was particularly noticeable during the weeks of debate on the proposed U.S. sale of highly sophisticated F-15 warplanes to Saudi Arabia as well as to Israel which had prior U.S. commitment for the planes ....

To understand what has been happening, the Anti-Defamation League is conducting a study of the sources and uses of such power and the over-all extent and impact of Arab influence in the U.S. ADL has completed the initial phase of this project.

This report is the first of several on ADL's findings.

## The Arab Thrust

When the Saudi Arabian campaign was launched to win approval by the U.S. Congress of the sale of the F-15s, the Saudi Embassy in Washington issued a secret seven-page memorandum of instructions to its American lobbyists suggesting that the "economic advantages of the Saudi-American relationship" be stressed in their efforts ....

## **'High Level Personalities'**

The Saudis ... have a startling array of registered agents in Washington .... Their main man in the capital is Frederick G. Dutton .... He was recommended to the Saudis by former Sen. J. William Fulbright ....

Also lobbying for the sale by the U.S. of the F-15s to Saudi Arabia was J. Crawford Cook, Inc. . . .

Cook is a close friend of former Governor John C. West of South Carolina, now U.S. Ambassador to Saudi Arabia ....

Two former Presidential Cabinet members have been working for the oil interests of Algeria — Richard G. Kleindienst, Attorney General under President Nixon, and Clark Clifford, Secretary of Defense in the Johnson Administration ....

*(The section goes on to target other "Arab agents": Henry Kearns of Kearns International; Raymond H. Close and Stephen Conner of Manara Ltd.; Kermit Roosevelt; John O'Connell of the Connole and O'Connell law firm; Patrick J. Caddell of Cambridge Reports, Inc., George H. Hearn of the U.S. Maritime Commission; Najeeb Halaby of Arabair Services Corp.; and Willis C. Armstrong, adviser to Saudi investor Adnan Khashoggi.)*

## **Money and Politics**

*(This section fingers Gerald Parsky, head of the Washington office of Gibson, Dunn and Crutcher; Petra Capital Corp.; the Wall Street firm of Smith Barney, Harris Upham; the Houston law firm of John B. Connally, Vinson and Elkins; Bert Lance; and Spiro Agnew, for cultivating business interests with prominent Arabs such as Ghaith R. Pharaon and Khaled Ben Mahfouz.)*

## **Know-How — and 'Political Influence'**

*(This section attempts to document how the Arabs secure "know-how" and "political clout" to build their image and influence in U.S. government and corporate circles.)*

## **Agents — and 'Services Rendered'**

*(This section "reveals" how a "financial and economic consultant ... conceded to ADL that he does handle political and propaganda assignments for his client.")*

## **'Image Builders' and Opinion Molders**

*(This section targets advertising and public relations*

*firms such as Doremus and Co.; Jones, Brakely and Rockwell, Inc.; Moss International; and others for shaping U.S. public opinion favorably toward the Arabs.)*

## **Other Registered Agents**

*(In this section, numerous other individuals and firms, among them White Power editor William N. Grimstad, are cited for their links to the Arab world.)*

## **Conclusion**

The registration of the Nazi, Grimstad, as an agent for the Saudis was, in a sense, a throwback to the days of the 1950s and the early 1960s when Arab efforts to influence American public opinion in their struggle against Israel were frequently crude and primitive and when their trafficking with domestic Jew-baiters of the Grimstad stripe was far more frequent.

Today, the Arab penetration of the U.S. scene, already well along, is carried on in the corridors of Congress and in the top banks and boardrooms of Corporate America, or in the paneled libraries of leading law offices ....

In the U.S. Government today it seems clear that we need stricter safeguards to protect the public interest in the case of former government officials eager to sell their know-how — and their influence — to private clients, both American and foreign, and to foreign governments or their arms and agencies.

Federal law has for some time imposed certain prohibitions and restrictions on some such activities by former officers or employees of Executive Branch departments and independent agencies of the U.S. Government ....

... The experience of the recent Arab "petrodollar years" and the record of activity by former U.S. officials on behalf of Arab governments and private Arab clients suggests certain gaps and weaknesses in the law ....

... The public interest of the American people requires special protection both from private domestic interests and from foreign governments and foreign principals whose interests may not be the same as the national interests of the United States. The U.S. Congress has recognized — if not for itself — the need for special safeguards and has enacted limited restrictions, prohibitions and requirements to serve the American interest.

Congress, however, has not gone far enough.