Bizarre twists in the Palme investigation

by William Engdahl

Since the assassination of Swedish Prime Minister Olof Palme on Feb. 28, 1986, the official police investigation has become the target for worldwide ridicule. Stockholm Police Chief Hans Holmér has come under growing attack for the incompetence of his investigation, his obsessive effort to "prove" that the European Labor Party—friends of Lyndon H. La-Rouche, Jr. in Sweden—was somehow behind the murder of the prime minister. In recent weeks, demands for Holmér's resignation increased from across Sweden's political spectrum. Twelve Stockholm law enforcement officers have reportedly resigned, in disgust at the police chief's handling of the investigation.

Then on Dec. 10, the lid was suddenly slammed down again. Following a meeting with Prime Minister Ingvar Carlsson, the leaders of all parliamentary parties issued a joint statement declaring "confidence" that the investigation of the Palme assassination was in good hands. The exact circumstances surrounding this spectacular shift are not yet known.

Plainly, the stakes on Holmér's cover-up are very high. Despite the repeated discrediting of "the LaRouche angle," an effort to resurrect it was launched by NBC-TV, in a sensational broadcast on Dec. 4. NBC said that it had obtained information that FBI officials had shipped to Swedish investigators the contents of notebooks seized in an Oct. 6 raid of LaRouche-associated companies in Leesburg, Virginia. Those notebooks, NBC claimed, showed links between LaRouche and Viktor Gunnarsson, a 33-year-old Swede interrogated on March 17 and released for lack of evidence linking him to the Palme murder.

The Stockholm tabloid Aftonbladet, owned by the trade union organization of Palme's Social Democracy, lost no time in going with the NBC story. On Dec. 5, in an "Extra" with a front-page banner headline, "Raid on Right-Wing Group: USA Police Find Palme Document," Aftonbladet ran a three-page story based on the NBC account, noting that

"according to NBC, Swedish authorities renewed their interest in the 33-year-old who earlier was suspected in the Palme investigation. . . . The 33-year old was a member of La-Rouche's organization in Sweden." (This, despite the fact that only two months before, on Sept. 7, the same newspaper had run a tiny correction to its own previous defamatory coverage, under the title "No Member of the ELP." Gunnarsson is quoted, "I have not been a member and I do not sympathize with them, although there are certain things about which they are right.")

Swedish police emphatically denied the NBC story (see box).

The Rothschild connection

Behind Holmér's bungling of the investigation lies a cover-up of strategic significance, reaching far beyond the confines of the Stockholm police headquarters. On Dec. 5, the Malmö daily *Kvällsposten* cryptically noted that in Great Britain, journalists seem preoccupied, not with Gunnarsson and the ELP, but with the love affair between Palme and Emma Rothschild, daughter of Victor Lord Rothschild, former crony of KGB spy Kim Philby.

Although this was the first the Swedish public had heard of the Rothschild connection, it was nothing new to angry police investigators aware of Holmér's cover-up role. On Dec. 3, one day before the NBC story, 12 top detectives involved in the Palme case resigned in protest. The resignations were prompted, according to the London Daily Mail of Dec. 4, "because they have been thwarted by political pressure from conducting a proper criminal inquiry into Palme's murder. . . The Swedish government, they claim, is terrified of the international consequences should the officers pin down the murderer and then reveal the forces behind him. Other officers in Stockholm CID [criminal police—ed.] claim they have uncovered sensational details of the Prime Minister's sensational love life. But they too on government orders had to close their files."

The German daily *Bild Zeitung* on Dec. 5 revealed that the mistress in question was indeed Emma Rothschild, and attributed the resignation of the 12 detectives to Holmér's blockage of this line of investigation.

Mounting pressure

Since March, Holmér has come under increasing attack. By Dec. 9, Stockholm's largest morning daily, *Dagens Nyheter*, ran a page-one headline, "Hans Holmér Should Be Removed." A leading member of Parliament and chairman of the Judiciary Committee, Karin Ahrland, issued a public call for Holmér to resign; this was followed a few days later by similar statements by National Justice Chancellor Bengt Hamdal and National Prosecutor Magnus Sjöberg.

The battered Holmér went on television to try to repair his reputation. Comparing his position to that of Homer's

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Odysseus, guiding his ship, "alone, under pressure," Holmér cited one of his favorite maxims from Voltaire, "There is nothing so uncomfortable as being hanged in silence." *Dagens Nyheter* quipped on Dec. 10, "Holmér does not have to worry. If he is hanged, it certainly won't be in silence."

The same day, Claes Zeime, chief government prosecutor in the Palme case, was asked by a reporter whether repeated statements by Holmér that he is "on the verge" of naming the murderer, the motive, or something, could be called "disinformation." Zeime replied that his office was aware of no major new element in Holmér's investigation, and that "the police statements indicating differently, were 'disinformation' if you want to call it that."

Now, the number-two man in the Swedish foreign ministry appears to have jumped into the fray in Holmér's defense, Cabinet Secretary Pierre Schori, an intimate of Henry Kissinger. Kissinger made an unpublicized 12-hour trip to Stockholm from London on Dec. 1. Schori was in Washington meeting with the U.S. State Department's John Whitehead, among others, during the week of Dec. 5, when the NBC piece ran.

Impact of EIR's report

There are several elements which make the situation inside Sweden far different in December, when NBC tried to set off a new witchhunt against LaRouche, than in March, when Holmér led a campaign, with full international press play, to try to pin the Palme murder on the ELP.

One major difference is the circulation internationally of a 102-page EIR Special Report, "A Classical KGB Disinformation Campaign: Who Killed Olof Palme?" The report was released at press conferences in London, Washington, Oslo, Copenhagen, and other capitals. It outlines the most detailed documentation of Soviet intelligence operations in a Western country ever presented in the non-classified domain. The report has become the most discussed back-room item in Sweden, according to Swedish journalists and businessmen. It is known to be circulating in "bootleg" xerox copy through the Parliament, military, and business circles.

The Malmö-based Sydsvenska Dagbladet on Dec. 6 ran an article on EIR's Palme dossier, under the title, "Right-Wing Extremist Document: KGB Orders Murder of Palme." While the tone of the article is obligatory Swedish media sarcasm, several important items leak out, perhaps as signals in an escalating factional warfare inside Sweden. According to the paper, "The report charges that Palme was murdered on orders from the Soviet spy organization, KGB, in collaboration with international big banks, the so-called Trust and international Jewish organizations. . . . The biggest Swedish villain in this scenario is Pierre Schori, cabinet secretary in the Foreign Ministry. . . . The document is, however, notable in other and more serious ways. It cannot have been compiled and published without help of a well built-up net-

A LaRouche angle? 'Oh no, not again!'

The following wire was issued by UPI from Stockholm on Dec. 5:

Police said today a man cited in a news report as the possible link between Lyndon LaRouche's political group and the murder of Prime Minister Olof Palme is no longer a suspect.

Police spokesman Leif Hallberg refused to confirm or deny an NBC news report Thursday that Swedish police investigating the Feb. 28 assassination of Palme were given notebooks seized in October from La-Rouche's headquarters in Leesburg, Va. But he said the LaRouche loyalist was dropped as a suspect in March.

"There is a disproportionately great interest among journalists in the United States in one of the leads we have followed up during the investigation," Hallberg said

"Every time NBC or some other agency from the United States calls us about this [LaRouche angle] we look at each other at police headquarters and say, 'Oh no, not again,'" he said.

work of informers and lots of money."

Other events too have changed the correlation of forces from that of March. One is the widening criminal investigations by the U.S. government into the "insider trading" abuses of Wall Street's Ivan Boesky. One very prominent Swedish financier group is "up to their eyeballs" in the Boesky affair, according to an informed European source. The group was detailed in the EIR dossier, two months before the Boesky scandal broke.

The "Irangate" developments in Washington are another new element. Was Pierre Schori meeting with Kissinger and Whitehead to find out how far the Iran purges might go?

And potentially most explosive, are the revelations in Britain around charges that the father of Palme's alleged mistress, Lord Rothschild, is a Soviet agent. According to Swedish sources, Emma, who reportedly had a townhouse paid for by Palme near his Stockholm house, came to Stockholm during the first week in December, accompanied by six bodyguards, one of whom destroyed the camera of a British television journalist, when asked about her father's intelligence connections. She is reported in hiding at present.

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