

# Will the LaRouche case turn into 'Reagangate'?

by the Editors

Unfortunate remarks by Vice President George Bush could be the trigger that transforms the Reagan administration's four-year-long legal harassment against Democratic presidential candidate Lyndon LaRouche into "Reagangate."

Legal observers report that LaRouche has solid evidence proving that the recent conspiracy indictment against him was coordinated between the Criminal Division of the Reagan Department of Justice and at least one, so-far unnamed CIA official of the Agency's covert operations section.

This official was the controller of both Roy Frankhouser and Forrest Lee Fick during the period 1982-85, and controlled Fick during the entire period, 1986-87 Fick collaborated with the complex of the Anti-Defamation League (ADL), Robert Vesco- and Sterling bank-linked Willkie, Farr, and Gallagher, and the News Division of NBC-TV in organizing Fick's perjured testimony to a Boston grand jury. According to witnesses that official continues to be closely associated with Fick.

Since the only basis for the indictment against LaRouche is Fick's perjured testimony, the case hangs on federal Judge Robert Keeton's decision, whether or not to permit the name of Fick's CIA controller to be presented in trial proceedings.

## The Reagan White House's 'get LaRouche' operation

This covert operation against LaRouche is known to have been launched not later than approximately the time, January 1983, President Reagan announced the appointment of former Secretary of State Henry A. Kissinger to the President's Foreign Intelligence Advisory Board (PFIAB). Officially released documents corroborate other evidence, showing that the operation was set into motion under provisions of Executive Orders 12333 and 12334, and was coordinated through the overlay of PFIAB and the Intelligence Oversight Board (IOB).

The IOB was created by Executive Order 12334. Under Reagan Executive Orders 12333 and 12334, under which the entirety of the U.S. intelligence community operates, the overlap among PFIAB, IOB, and the U.S. Attorney General, is the control over both the Justice Department's role in covert

operations and the coordinated actions of the intelligence community as a whole.

Officially released documents corroborate other evidence, showing that key figures involved in launching the "Cointelpro"-type of covert domestic operations against LaRouche include Henry A. Kissinger, David Abshire (presently the President's liaison on Irangate to Congress), and Edward Bennett Williams. The documents also show that this action was taken in the course of consultation within PFIAB as a whole, including Jay Lovestone-linked Leo Cherne.

This operation was conducted through both the U.S. Department of Justice, including Ollie North collaborator and FBI official Oliver "Buck" Revell, and through such Justice officials as the Criminal Division's Mark Richard. It was coordinated through National Security Council and CIA channels via the IOB, including a key role by IOB legal consultant, the University of Virginia's John Norton Moore, and a leading operative's role by Roy Godson and his associates.

The operation was escalated as Robert "Bud" McFarlane succeeded Judge William Clark as National Security Adviser, and was accelerated under Admiral John Poindexter.

Apart from significant roles by the foreign counterintelligence section of the FBI, the street-level support for this Reagan administration "Get LaRouche" operation was supplied through a network of quasi-official and private organizations linked to Leo Cherne and Jay Lovestone. These included, most prominently, the AFL-CIO's international department (one of Dennis King's employers), the Anti-Defamation League (ADL), and the Heritage Foundation.

The AFL-CIO international department is a section of the U.S. intelligence community established within the CIA and State Department under the postwar direction of "former" Soviet intelligence figure Jay Lovestone, a close associate, in operations such as the International Rescue Committee, of PFIAB/IOB official Leo Cherne.

The official status of the AFL-CIO international department is under the rubric of AIFLD, technically an agency of the U.S. State Department closely associated with social-

democrats Elliott Abrams and Michael Ledeen, currently under the direction of Armand Hammer crony Charles Z. Wick's U.S. Information Agency (USIA). Reagan "Kitchen Cabinet" crony Wick is the direct conduit to Aleksander Yakovlev. Yakovlev was formerly the Soviet ambassador to Canada, a post which coordinates Soviet intelligence operations into China via Canada, and also runs the covert side of operations into the U.S.A. under the mask of the U.S.A.-Canada Institute. Yakovlev is the Soviet official directly responsible both for Reagan-Gorbachov "summit" arrangements, and also the direct coordinator of Soviet press and other attacks on Democratic presidential candidate LaRouche. Officially released documents corroborate AIFLD's political support for Colombia political fronts for the Soviet-backed drug-mafia in that country.

AIFLD is a key arm of the "Project Democracy" with which Oliver North collaborated in the "Contragate" affair, and is also a major arm of Project Democracy's mother-organization, the National Endowment for Democracy of Republican official Frank Fahrenkopf and Tower Commission member Edmund Muskie.

The ADL is closely associated with both certain high-level Soviet KGB operations inside the U.S.A., and through its law-firm, Kenneth Bialkin's Willkie, Farr, and Gallagher, and Sterling bank, with Fidel Castro's Robert Vesco, a key figure in Soviet-coordinated drug-running operations in the Caribbean region as a whole. The ADL's most important connections into the Justice Department include Criminal Division official Mark Richard, Neal Sher of the Office of Special Investigations (OSI), and Deputy Attorney General Arnold Burns, the latter linked to Sterling Bank.

Mark Richard is both the official link to the Soviet KGB in cases such as the case of Austria's President Kurt Waldheim, and is the key Justice official entrusted with influencing the conduct of cases involving national security matters inside the federal court system. He is the Justice Department official responsible for fixing of cases such as the cover-up of the Reagan administration's intelligence community's role in the "Get LaRouche" operation.

The Heritage Foundation is an entity set up by foreign interests, to lure, snare, and dupe ideological conservatives inside the United States. According to recorded conversations with Heritage officials, such as Ed Feulner, the Heritage Foundation was assigned a special role in manipulating the Reagan administration, and is a key part of Project Democracy operations linked to the Contra scandal. Heritage has been a leading collaborator with the ADL in "Get LaRouche" operations since earlier than its first disinformational report against LaRouche in May 1978. Anti-SDI covert operations against LaRouche run through Lt. Gen. (ret.) Daniel Graham and Gen. (ret.) Albion Knight, from 1983 onward, were a branch of the operation run through the Heritage Foundation into the U.S. Department of Defense and elsewhere.

Roy Godson, a key figure in the covert "Get LaRouche"

## George Bush's 'unfortunate remarks'

After speaking in Shelton, Iowa July 31, Vice President George Bush was asked to comment on opposition to the "zero option" sell-out of Europe by General Bernard Rogers, the just retired commander of NATO forces in Europe. He was also asked to comment on Lyndon LaRouche's recent visit to Turkey. He answered the second question first: "I don't know what to make of the LaRouche visit, and I assume the Turkish prime minister doesn't know what to make of it either. . . . I don't like the things LaRouche does. . . . He's bilked people out of lots of money and misrepresented what causes the money was going to. LaRouche is in a lot of trouble and deserves to be in a lot of trouble."

Bush proceeded to express his support for the policy of Russia's Marshal Nikolai Ogarkov, namely, the "zero option" removal of all U.S. nuclear weapons from a Europe that is currently indefensible by any other means, as General Rogers has stressed. Said the vice president: "It's true that Rogers expressed opposition to the zero option, because he thought it would be bad for Europe. But General Galvin [the new NATO commander] approves of the zero option, and I agree with Galvin."

operations run through the National Security Council and State Department, is also a member of the network of Jay Lovestone and Leo Cherne, and is closely associated with the circles of John Rees, Josef Bodansky, the USIA's Herbert Romerstein, and Joint Select Committee staffer Joel Lisker.

The other quasi-official entity at the center of these covert operations, is the congressionally funded, bi-partisan National Endowment for Democracy (NED), through which the national committees of both major parties are integrated into the Reagan intelligence community's "secret government" under Executive Orders 12333 and 12334, and through which the official machinery of both parties is used for conducting Reagan administration "Get LaRouche" operations.

The above-ground motive for the Reagan administration's "Get LaRouche" operations is both LaRouche's prominence and influence in campaigning for international monetary reform, and his prominence in exposing and combatting U.S. financial and AIFLD roles in the conducting of funds derived from Caribbean and other drug-running operations into the United States. The Reagan administration has been

opposed to this drug-trafficking, up to the point that vital interests of U.S. financial institutions are not threatened by damaging exposures. Unfortunately, major portions of U.S. intelligence community and diplomatic operations in Central and South America are conducted in collaboration with local political interests backed by and associated with the drug-running interests.

The elements of the intelligence community most directly involved in pressing the "Get LaRouche" operation during 1983, were Henry A. Kissinger, AIFLD, and financial interests jointly associated with Kissinger Associates, Inc. and AIFLD.

This campaign was launched in response to both LaRouche's discovery of Kissinger's involvement with Meshulam Riklis and Bronfman interests in a vast West Bank land-scam, and, more broadly, LaRouche's authorship of an August 1982 report, *Operation Juárez*, detailing measures of financial and economic emergency action to be taken under conditions of international debt crisis. Bankers viewed this report as technically competent, but as a threat to the special political interests of those financial circles associated with Walter Wriston's Citicorp, David Rockefeller's Chase Manhattan, and others.

It was this issue of U.S. monetary policy which prompted the Reagan administration to side with Kissinger and AIFLD's banker cronies, and permit the "Get LaRouche" operation to be unleashed in full force beginning the end of 1983.

The additional motive for the "Get LaRouche" operation is elements within the U.S. government who are committed to sabotaging the U.S. Strategic Defense Initiative (SDI), and who are in sympathy with an early and successful agreement between President Reagan and Soviet Secretary Gorbachov on both the "zero option" and also secret agreements with Moscow on what are called "regional matters" of Middle East, Far East, and Latin American subject-matters.

These latter secret, "regional matters" agreements involve Soviet negotiations with whiskey-peddler Edgar Bronfman over Bronfman's efforts to use Soviet release of Soviet Jews to Israel as a lever for Bronfman interests' takeover of the government of Israel. The Waldheim affair is a case of Soviet KGB forgeries conduited into Justice's Mark Richard, as a by-product of Moscow's continuing negotiations with Bronfman.

When two candidates who had campaigned on the basis of close affiliation with LaRouche, won nomination to high state office in Illinois, on March 18, 1986, LaRouche's enemies within the Democratic Party National Committee, around Kennedy's Paul Kirk, Robert Strauss, Armand Hammer, and Dwayne Andreas, joined with the Republican members of the National Endowment for Democracy around Frank Fahrenkopf, and Max Fisher.

The demonstration of LaRouche's skyrocketing vote-getting power, convinced these forces that LaRouche must be put out of existence, as Kirk and others then stated publicly,

by either "legal or other means." The Democratic National Committee signaled its full support to Boston U.S. Attorney William Weld for a new effort to seek a legal frame-up of LaRouche, and supplied Senator Kennedy's backing for Weld's promotion to head the Criminal Division of the Justice Department.

### The CIA role

The CIA's role in the "Get LaRouche" operation centers around a group of current and "former" CIA officials formerly associated with Southern Air Transport's Ted Shackley in the covert drug-running operations conducted in connection with the CIA's secret war in Laos. This component of the CIA's former drug-running operations in Southeast Asia has provided the core of the CIA's role in the Contra and related operations in the Caribbean.

It was this unit within the covert operations section of the CIA which was used to coordinate CIA asset Forrest Lee Fick in attempting to set up LaRouche for a one-count "conspiracy to obstruct justice" charge, and which arranged to supply Fick's perjury to the Justice Department, as part of the effort to revive Boston U.S. Attorney William Weld's failure to secure a case against LaRouche from the disbanded initial grand jury sitting on the Boston case. This unit has also been involved in the effort through the Alexandria, Virginia U.S. Attorney's office, to indict LaRouche on a concocted charge of income-tax evasion. This unit also assisted, through the Fick channel, in supplying the false information used to stage the October 6-7, 1986 400-man armed invasion of the small town of Leesburg, Virginia.

According to legal observers, there is no precedent in U.S. law for considering LaRouche as having any tax-liability over the past dozen years. Although the government concedes that LaRouche has had no taxable financial income from any source over that entire period, the Justice Department's "Get LaRouche" operation argues, that the meals and housing the candidate has received in the form of hospitality of numerous friends and others around the world, represents a "benefit" to LaRouche, and is therefore taxable.

According to legal observers, the ludicrousness of this accusation is shown by the fact that, under this interpretation of law, every citizen who failed to report a meal eaten at the house of a friend as taxable income, is guilty of tax-evasion. Under that interpretation, nearly every adult U.S. citizen and resident could potentially be sent to federal prison for long terms, for criminal tax-evasion.

According to observers, the allegations of criminal tax-evasion against LaRouche represent the same curious philosophy of law used to argue that his 1984 presidential campaign organizations as a whole were guilty of "a conspiracy to organize credit-card fraud." The obvious flaw in the Justice Department's argument, according to observers, is shown by the question which LaRouche posed to the Boston grand jury this past June 29: What burglar has the habit of leaving his

correct name and address at the scene of his burglary?

Obviously, LaRouche argued, if incidents of the alleged sort of fraud could be shown, that culpable action could have been taken only either by an enemy of LaRouche's political interests and personal reputation, or by a volunteer acting under the compulsion of some emotional disturbance.

The legal record does show that there were substantial irregularities in the credit-card transactions of the 1984 LaRouche campaign. However, these irregularities have been shown, by legal record, to have been caused chiefly through clerical errors by credit-card companies, or deliberate tampering with such transactions by officials and other agents of a number of banks.

The real problem of the LaRouche campaign's finances, was the massive delay in payment of campaign debts caused directly by a multimillion-dollar diversion of funds from his campaign and business interests of friends. This multimillion-dollar diversion was caused entirely by a combination of actions of bank and intelligence community officials, in-

cluding officials of the Federal Bureau of Investigation (FBI). In addition to that diversion, massive burdens have been placed upon the accused in the form of legal costs caused by a politically motivated, vindictive, and malicious prosecution by a corrupted U.S. Department of Justice.

At present, many of the debts of businesses of LaRouche's friends can never be paid, since the U.S. Justice Department has shut down those firms, and unilaterally confiscated their assets by what legal observers view as a highly illegal Chapter 7 involuntary bankruptcy proceeding initiated through the Meese Department of Justice.

The lack of any case against LaRouche or his friends generally, impelled the Justice Department to turn to the covert operations section of the CIA for assistance. A section of the CIA operationally tied to the Ted Shackley-centered CIA team behind the Contra operations, supplied Fick's perjury, without which, according to Justice Department argument, it has no case against Democratic presidential candidate LaRouche.

## The 'bankruptcy' case

*On Aug. 7, U.S. Bankruptcy Judge Martin van Buren Bostetter denied a motion brought by attorneys for three bankrupted "LaRouche" organizations seeking a stay of discovery against them on the grounds that the government is using the bankruptcy proceeding to get discovery of evidence for its criminal prosecutions of the bankrupt entities and individuals associated with them.*

*At the same time, Judge Bostetter denied a motion brought by U.S. Attorney Henry E. Hudson, which Hudson appeared personally in Bankruptcy Court to argue. Hudson was asking the Court to find the three entities—Campaigner Publications, Caucus Distributors, and the Fusion Energy Foundation—in default for failing to comply with discovery requests. Default would mean summarily declaring the three companies bankrupt, and immediate liquidation, rather than a trial of the government's involuntary bankruptcy petition. Bostetter denied Hudson's motion and set a trial date of May 4, 1988.*

*Following are excerpts from the "Memorandum in Support of Debtors' Motion to Stay Discovery and in Opposition to Government's Motion to Compel Discovery and for Sanctions."*

1) These proceedings arise out of a massive attack, criminal and civil, against Lyndon LaRouche, and a multitude of organizations and persons allegedly affiliated with him. Broad criminal proceedings against alleged debtors and

associated individuals are not merely a speculative possibility, but a present reality. For example: all three alleged debtors herein are presently under criminal indictment—Caucus and Campaigner in federal court in Massachusetts and all three in state court in Virginia. . . .

[I]t is crucial for present purposes to note that further federal criminal proceedings are clearly contemplated in this very District. A grand jury has been convened and a wide-ranging investigation, conducted by Henry E. Hudson, the same United States Attorney who personally has represented the government in these bankruptcy proceedings, has been underway for some time and, according to Mr. Hudson, is "continuing". . . . The full scope of this investigation is not, of course, known to the alleged debtors, but it is obviously broad. The government has twice seized the records and assets of all three alleged debtors; it is not merely engaging in a casual investigation which may or may not involve them or individuals associated with them. Indeed, not only is the government indicting and actively investigating all the alleged debtors and a multitude of individuals (38 individuals presently are under indictment in various jurisdictions), but its essential theory seems to be that all organizations and individuals with a relationship to Mr. LaRouche are fungible.

2) When viewed against this background, it is inconceivable that persons with knowledge can or will respond to the discovery requests in this proceeding without exposing themselves to a very real risk of self-incrimination in connection with actual pending criminal charges or charges likely to rise out of ongoing criminal investigations. . . .