

the Subcommittee who are intimately familiar with ILA matters.”

By late fall the IBT will be the subject of hearings timed to coincide with indictments from Pendorf and 15 criminal investigations into the Teamsters' Central States Health-Welfare and Pension Funds. Running along a parallel track overseen by the DoL and House Ways & Means' Subcommittee on Oversight is a plan to seize control of the \$1.3 billion liquid assets in the Central States Funds. This move, which will rob regional machines of investment capital for construction and related projects, is equivalent to the nationalization of General Motors.

White Collar Crime

This program of economic warfare and “dirty tricks” is being run in the name of combatting “white collar crime.” One of the leading polemicists of this new Justice Department program is James Q. Wilson, a close collaborator of Trilateral Commission “gangster” Samuel Huntington at Harvard University, who also has the distinction of being the “brains” behind the Murphy Commission Watergating of the N.Y. Police Department.

In an article entitled, “The Changing FBI—The Road to Abscam,” which appears in the Spring, 1980 issue of the Committee on the Present Danger-linked journal, *The Public Interest*, Wilson states: “Attorney General Edward Levi and (FBI) Director Kelley pledged that the Bureau would reduce its interest in domestic security cases, especially of the sort that led to such abuses as COINTELPRO ... (because) domestic security cases were constitutionally and politically vulnerable.” Yet, Wilson continues, Levi simultaneously charged the FBI with “identifying (‘targeting’) individuals, groups, and organizations for intensive scrutiny on the grounds that they were *suspected of being involved* (emphasis added) in organized crime, major conspiracies, labor racketeering, or political corruption.”

Wilson has inadvertently put his finger on the central of many ironies that attend the DoJ's “war on white collar crime,” namely that it violates the infamous “Levi Guidelines,” which make it illegal for law enforcement officers to gather intelligence on terrorists *until after a crime has been committed*. Under Levi, the Justice Department would not investigate a known terrorist who publicly advocates violent overthrow of the American government until after he throws a bomb. Yet, congressmen, labor leaders and other responsible citizens are to be “targeted”—i.e., placed under a microscope, subjected to wiretaps, entrapped by thieves and cutthroats bearing “sting” propositions, or, possibly even framed by an informant promised an easier sentence if he indicts others—all on mere *suspicion*.

How Abscam and Brilab ‘sting’

When the first sensational “leaks” from Abscam and Brilab appeared on the front page of newspapers across the country last February, few people stopped to ask the most basic questions about these operations. “Precisely who was ‘stung’ and why?” What is the press doing with the results of ‘top-secret’ investigations?” Since then enough has emerged for many people to begin to suspect that the public as a whole was fooled by the way the Justice Department orchestrated Abscam and Brilab.

Among the revelations that have given rise to these questions is the fact that the DoJ passed up literally dozens of congressmen whom it had a similar opportunity to entrap. Further, it has been learned that the Washington, D.C. home from which the phony sheik of Abscam for a time operated was rented by the FBI from Lee Lescaze, a reporter for the *Washington Post*. Similarly, it has been revealed that three weeks before the story was “officially broken,” the *New York Times*' Leslie Maitland, Bob Greene of *Newsday*, and a team of NBC reporters had been provided with documents and briefed on when and how to break the story by Neil Welch, the recently retired FBI Assistant Director in charge of Operation Abscam.

These “leaks” were a critical part of the project. Three months since grand juries were convened to hear evidence on Abscam and Brilab, it has been announced that indictments are momentarily expected. But, in many cases the damage has already been done, with leading citizens' names ruined before they are indicted, let alone convicted. It is to contain further damage that *EIR* examines the “how” and “why” of Abscam-Brilab.

Project Alpha

Project Alpha, the prototype “sting” operation, was launched in 1974 to destroy the political machine centered on trucking and waterfront activity that until recently ran New Jersey's Hudson and Union counties. Funding for the project was provided by the Law Enforcement Assistance Administration, a branch of the Justice Department that has pioneered many compo-

nents of the Trilateral Commission's coup d'état apparatus from the covert arming of gangs for urban riots to the DoJ's war on "white collar criminals."

The Project was run by N.Y. FBI Special Agent-in-Charge, Cyrus T. Falls, who coordinated the activities of the FBI with local law enforcement in N.Y. and N.J. Permission for the project was obtained from N.J. Gov. Brendan Byrne who has turned his state into a virtual laboratory for such "social engineering" projects.

One of the chief "breakthroughs" that made Project Alpha possible was Attorney General Edward Levi's 1974 reorganization or the Federal Witness Protection Program which allowed the government to offer even professional hitmen deals if they would entrap others in undercover operations. Despite stipulations that these "informants" are to be "carefully monitored," the FWPP became a new sort of federal equal opportunity employment program which gave thieves a license to steal.

The main "informant" in Project Alpha, for example, was Patrick J. Kelly, who was set up with several business fronts—including Atlantic Trucking and Alamo Transportation—to infiltrate targeted machine layers. Kelly turned these firms into fronts for federally protected swindles that are now the basis of several lawsuits against the Justice Department. Herb Jaffe, a reporter for the *Newark Star Ledger* who works closely with the N.Y. Strike Force, admitted this in a Feb. 10, 1980 article entitled, "Informants Vital Link for 'Scams'." Jaffe stated that these crimes "were sanctioned, as long as the informants continued to provide data vital to Alpha and subsequently to Abscam."

In between swindles, Kelly "developed" testimony to convict Tino Fiumara, a major powerbroker behind the New Jersey docks. A federal grand jury subsequently indicted 40 labor and ethnic leaders in the target counties based largely on Kelly's testimony.

Operation Abscam

Abscam was phase two of Project Alpha. This time the priority target was the political side of the labor-industry alliance that runs New York, New Jersey, and the Greater Philadelphia region. Many of the operational details of Abscam are well-known due to the trial-by-press leaks that were sanctioned by *both* FBI Assistant Director Neil Welch and Attorney General Benjamin Civiletti. This is especially true of the phony sheik who baited the hook with a \$550 million bank account vouched for by Trilateral Commission founder David Rockefeller's Chase Manhattan Bank.

The one question never raised in Abscam was why an "Arab-scam" was tried out? Last week U.S. intelligence sources made available a Nov. 18, 1978 memorandum of

the Anti-Defamation League of B'nai B'rith—one of the chief fronts for Israeli intelligence "dirty tricks" in America—which begins to answer this question. The first five pages of the memorandum call for imposing restrictions against high government officials "corrupted" by the Arab states. This memo coincided with a series of muck-raking exposés by newspaper columnist Jack Anderson, whom these sources identify as a frequent conduit for "leaks" by the ADL and Kennedy Justice Department elements. This 1978 public call-to-arms, however, merely announced an operation well underway.

Harvard Law professor James Q. Wilson provides even earlier evidence of joint Zionist lobby-Kennedyite complicity in laying the groundwork for Abscam. According to Wilson it was the Subcommittee on Civil and Constitutional Rights of the House Judiciary Committee who "began with criticism of the domestic security programs, but came to include criticisms of the Bureau's weaknesses in the area of white collar crime." Among the

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most outspoken members of the Subcommittee were Zionist lobby "spokesperson," Rep. Elizabeth Holtzman (D-N.Y.) and Kennedy family protégé Rep. Robert Drinan (D-Mass).

It was Holtzman who simultaneously sponsored the creation of another witchhunt body, the Office of Special Investigations, which has used its nominal mandate to track down Nazi war criminals to establish an outpost for Israeli intelligence in the Justice Department. U.S. intelligence sources have confirmed for *EIR* that the OSI has played a major, though secret, role in Abscam and in other Watergate-type operations having nothing to do with Nazi war crimes.

Whatever long-term gains the Zionist lobby expects from thus disrupting U.S./Arab relations, Civiletti's patrons on the Trilateral Commission got an immediate payoff in the form of blackmail against leading political allies of labor. As a result of Abscam targeting of Sen. Harrison Williams (D-N.J.) and Pendorf's of Sen. How-

ard Cannon (R-Nev.) Senate opposition collapsed to deregulation of the trucking industry—an essential feature of the Trilateral Commission’s “controlled disintegration” of the world economy. A partial list of those “stung” in Abscam makes clear the economic warfare aspects of this political blackmail plan:

- *Sen. Harrison Williams* (D-N.J.) is chairman of the Labor and Human Resources Committee through which every piece of labor-related legislation must pass. Williams not only caved in to Abscam blackmail on the trucking dereg fight, but hearings on the proposed merger of the Teamsters with the AFL-CIO have now been shifted to the Senate Permanent Investigations Committee. One SPIS staff member confided to *EIR* recently: “Once we get the probe underway (AFL-CIO president and Trilateral Commission member, Lane) Kirkland will really dig the knife into the Teamsters.”

- *Rep. Frank Thompson* (D-N.J.) is chairman of the powerful House Administration Committee and also number two man at Education and Labor, the House equivalent of Williams’ committee. Thompson, who faces an uphill reelection battle, has backed down on trucking dereg and aides say he will do nothing to fight Abscam publicly.

- *Rep. John Murphy* (D-N.Y.) is a member of the Interstate and Foreign Commerce Committee and chairman of the Merchant Marine and Fisheries Committee. He will oversee hearings on the maritime deregulation bill and has done an about-face since Abscam to announce that he will support the measure’s passage.

- *Camden Mayor Angelo Errichetti* has for years tried to modernize his city’s port and build a nuclear power plant that will attract new industry and jobs to this economically devastated section of New Jersey. It was “to line up money—money to rebuild this city’s port and to replace empty lots and burned out homes with fine, new rowhouses”—that Errichetti was drawn to the phony sheik of Abscam.

Brilab

Brilab (“bribery-labor”), which targets Southwestern members of the labor-industry alliance, is merely the latest phase of ongoing economic warfare against the Teamsters and their political allies.

George Hauser, the chief “informant” in Brilab, is known to have been under Justice Department surveillance from 1973-76 during which time he was running an insurance scam on labor union funds. The Justice Department let him swindle Teamster and other union members out of millions.

In March, 1977 Hauser was finally indicted to make sure he would tow the line of the Justice Department. Hearings were called by Sen. Henry Jackson (D-Wash.),

then chairman of the Permanent Investigations Subcommittee, to look into “Labor Union Insurance.” IBT president Frank Fitzsimmons, Allen Dorfman, consultant to the Teamsters Central States Funds, former Attorney General Richard Kleindienst, and others were dragged before the public to explain their dealings with Hauser. The press leapt on the hearings to justify the Labor Department’s demand that the Central States Funds be placed into receivership.

In a recent *EIR* interview, Peter Sullivan, the SPIS staff member reportedly in charge of anti-Teamster operations, revealed the hidden purpose served by these hearings—namely, to give law enforcement a “how to” course for setting up “stings” like Brilab:

“I think the idea for Brilab ... I gotta be careful how I phrase this. ... From what I understand ... the Subcommittee’s investigation of Hauser prompted official law enforcement interest in labor union racketeering. ... When you read the material (from the hearings), you’ll see readily how law enforcement people may have gotten the idea to try a Brilab out. ...”

SPIS staff director William Goodwin was even more explicit on another purpose served by the hearings. According to Goodwin SPIS staff members helped the DoJ “pick their targets ... We identified the weak points, Teamster and ILA leaders who could be hit ... We had the profiles of the people who could be broken. Now the FBI goes in and sets them up. It’s like a duck shoot.”

After the hearings Hauser was himself selected to be the “decoy” for the FBI’s Brilab. Hauser and two FBI agents set up a phony insurance company in Beverly Hills called Fidelity Financial Consultants. They were vouched for as legitimate agents by Prudential Life Insurance, a subsidiary of the Anglo-Dutch Unilever Corp. with a long record of involvement in political Watergates since its agents toppled Newark Mayor Adonizio.

This trio toured the Southwest leaving a trail of \$10-15,000 fees doled out in \$100 bills on the desks of influential labor leaders and politicians whose support was sought for insurance contracts. In Feb. 1980 a team of FBI agents followed these trailmarkers around Louisiana, Texas, and Oklahoma delivering subpoenas to grand juries convened in New Orleans and Houston.

Among those targeted in Brilab are: Gov. Edwin Edwards of Louisiana, a spokesman for high-technology development who was also hit by Civiletti’s Justice Department in Koreagate; and Texas Speaker of the House Billy Clayton who is a leader of forces committed to industrial progress throughout the Southwest. Via Brilab, the Trilateral Commission has been able to force its economic policy of “controlled disintegration” more deeply into the Southwest, one of the few regions that has maintained pockets of growth in the current crisis.