

# String of 'suicides' litters the trail of 'Octopus' grand conspiracy

by Jeffrey Steinberg

The body of investigative journalist Danny Casolaro was found in a bathtub at the Sheraton Hotel in Martinsburg, West Virginia on Saturday, Aug. 10, with a dozen cuts on both wrists. Within hours of the discovery, local police and the county coroner had declared the death a suicide. The following day, the corpse was embalmed at a local funeral parlor, although police now deny that they requested the procedure. Yet it was not until Monday, Aug. 12 that local officials managed to contact any of Casolaro's relatives to inform them of his death. By the time Casolaro's brother, Dr. Anthony Casolaro, began providing police with evidence strongly arguing against the premature "suicide" pronouncement, both the corpse and the crime scene had been so disrupted that virtually all forensic evidence was gone.

The bizarre and highly suspicious circumstances surrounding the Martinsburg police and coroners' handling of the Casolaro death is but one of a string of mysteries that have prompted one former U.S. Attorney General, Elliot Richardson, to demand the appointment of a special prosecutor to probe a scandal that he calls "nastier than Watergate."

At the time of his death, Joseph Daniel Casolaro, 44, was probing a series of interrelated crimes involving Presidents Reagan and Bush, Attorneys General Richard Thornburgh and Edwin Meese, the CIA, international narcotics traffickers and shady businessmen, bankers, and lawyers. The Fairfax, Virginia writer-investigator was in Martinsburg to meet with a crucial source who, he hoped, would provide documents proving some of the major links in his story.

*EIR* has learned that Danny Casolaro was one of at least five people who have died recently while either investigating or revealing crucial details about Irangate, the October Surprise, the Bank of Credit and Commerce International scandal, and the Inslaw affair. In at least four of these cases, the deaths were declared suicides. In each case, family members and friends have provided evidence sharply contesting the official suicide findings.

These deaths very much appear to be part of an ongoing coverup of the Reagan-Bush administration covert intelligence operations that went out of control, which could very

well send many present and former senior government officials of the United States and a score of other countries to jail, if the truth were to be known.

Between 1986-89, nearly 30 people either died or disappeared under mysterious circumstances, all of whom stood to reveal some crucial piece of this massive criminal scheme. Swedish Prime Minister Olof Palme, Schleswig-Holstein Prime Minister Uwe Barschel in Germany, Iranian arms dealer Cyrus Hashemi, and Israeli counter-terror chief Amiram Nir are just four of the best known personalities on this death list.

Now, with President George Bush and some of his closest associates facing a series of high-visibility congressional probes next month, and the prospect of new indictments by Iran-Contra Independent Counsel Lawrence Walsh, it appears that the long knives have been unsheathed once again to silence the accusers.

## The ever-expanding Inslaw scandal

Nearly two years ago, Dan Casolaro was asked by a friend in the computer industry to look into the U.S. Department of Justice's illegal bankrupting of a small Washington, D.C. software firm called Inslaw, Inc. Inslaw had developed a criminal justice case management software package called Promis which the Justice Department had leased on a pilot project basis in 1982. Shortly after that original contract had been issued, Justice suddenly stopped paying its bills to Inslaw, driving the firm into Chapter 11 bankruptcy.

Through years of investigation and bankruptcy court battles, Inslaw President Bill Hamilton unraveled a criminal scheme involving a number of government officials and a Reagan "kitchen cabinet" figure named Dr. Earl Brian, to drive him out of business and steal his Promis software. At first, it appeared that the primary motive for the targeting of Inslaw was an \$800 million Justice Department contract labeled "Project EAGLE" which Brian had been positioned to win due to his close ties to White House Counsel and later Attorney General Edwin Meese. The idea, as it seemed at first, was to force Inslaw into liquidation, at which point

Brian would "legally" purchase the copyright on Promis.

Then, in early 1990, a California man who claimed he had been associated with Earl Brian since 1980 came forward with an extraordinary tale linking the bankrupting of Inslaw to a far broader criminal scheme: This involved the international sale of pirated copies of Promis to finance arms supplies to the Contras and to enable the CIA and the Israeli Mossad to spy on both hostile and friendly governments by tapping into their intelligence and police computer data bases. The new witness, Michael Riconosciuto, traced his own links to Earl Brian back to the summer of 1980, when, he says, the two men traveled to Teheran to set up a \$40 million payoff to key figures in the Khomeini regime which was part of the "October Surprise." The buy-up of Promis was part of Brian's "payoff" for his secret role in securing the 1980 election of Ronald Reagan and George Bush.

Riconosciuto identified a U.S. Customs Service official named Peter Videnieks, now believed by several investigators to be tied to the CIA, as the "inside" official in the government assigned to work with Earl Brian against Inslaw. Videnieks had been transferred from Customs to Justice in the early 1980s and had been placed in charge of the department's contract with Inslaw. Riconosciuto himself had been involved between 1981 and 1983 in a secret project involving the manufacturing of sophisticated weapons on the 1,700 acre, Cabazon Indian reservation near Indio, California. The project involved Wackenhut Services, Inc., a private security firm which had employed Reagan's 1980 campaign manager and later CIA chief William Casey as its outside counsel up through 1980.

In February of this year, Riconosciuto signed a sworn affidavit for Inslaw's attorney Elliot Richardson describing his role, along with Brian and Videnieks, in the theft and modification of Promis for overseas sale to the Canadian government and other clients. The affidavit claimed that in early 1991, Riconosciuto had been contacted by phone and threatened by Peter Videnieks with a government frameup if he continued to assist Inslaw in its fight against the government. One week after he signed that affidavit, Riconosciuto was arrested by the Drug Enforcement Administration and charged with running a methamphetamine laboratory in Washington state. He has been held in prison without bail ever since.

It was this broader aspect of the Inslaw scandal that Casolaro was investigating at the time of his death. Many names have surfaced as to the identity of Casolaro's alleged "source" in Martinsburg. According to one version, Casolaro was in West Virginia for a meeting with Peter Videnieks and Earl Brian whom he intended to confront directly with evidence backing up the Riconosciuto story. Videnieks's wife, Barbara, is the executive assistant to the powerful West Virginia Democratic Sen. Robert Byrd. Byrd has played a major role in the effort to have the CIA move some of its administrative offices to Charles Town, some 20 miles from

Martinsburg, on the Virginia border.

Casolaro was not the only investigative journalist trying to confirm the Riconosciuto allegations.

In July, a reporter named Anson Ng, on assignment for the *Financial Times* of London, was found dead in Guatemala, from a single bullet fired into his chest at pointblank range. His death, like that of Casolaro, was immediately ruled a suicide. According to sources familiar with the Ng death, the sometime freelance writer was in Central America trying to interview an American named Jimmy Hughes. Hughes had been the director of security for the Cabazon Indian reservation secret project in California, according to documents in the possession of *EIR*. Hughes had also been a key prosecution witness against a man named John Philip Nichols, who had been another major player in the Cabazon project, managing a string of gambling casinos on the Indian reservation. Nichols allegedly arranged the murders of several Cabazon tribal officials who had uncovered an organized-crime link to the CIA project and had told Hughes that the contract killings had been a "sanctioned covert operation."

## Two other deaths

On April 23, 1991, a Philadelphia attorney named Dennis Eisman was found slumped over the wheel of his Porsche in an underground parking lot in the city's business district. Like Ng, Eisman was killed by a single bullet fired into his chest at pointblank range. And, as in the subsequent cases of Casolaro and Ng, his death was also immediately ruled a suicide.

According to at least one close associate of Eisman, the Philadelphia lawyer was in contact with Casolaro shortly before his death, a fact that first took on significance early this month when Casolaro's body was discovered in the West Virginia panhandle town of Martinsburg. According to a former federal law enforcement official who had worked with Eisman, the attorney's death was directly linked to the Inslaw affair. Eisman had reportedly gone to the Philadelphia parking lot early in the morning of April 23 to meet with a woman who was to deliver critical evidence substantiating Michael Riconosciuto's claims about threats from Peter Videnieks. Apparently, his killers intersected him before he was able to make that rendezvous.

According to this account, Eisman had been asked through intermediaries to take up the Riconosciuto case and had already made plans to travel to the West Coast to interview his prospective client. While other associates of Eisman have presented contradictory information about the attorney's schedule, nobody interviewed by *EIR* believes that Eisman took his own life.

Also in July, another attorney, Allan Michael May, died in the San Francisco area, of what are being described as "natural causes" complicated by an overdose of "poly-pharmaceuticals." May was at one time a lawyer for Richard Nixon's re-election committee, CREEP. According to the

Riconosciuto account of "October Surprise," May was also involved in securing the \$40 million to pay off Iranian officials for the delay in the release of the hostages in 1980.

That continuing controversy is now the subject of a congressional inquiry which is scheduled to begin immediately after the Labor Day recess. After months of indecision, Speaker of the House Thomas Foley (D-Wash.) announced early this month that the formal inquiry would be undertaken. However, Foley's appointment of Sen. Terry Sanford (D-N.C.) as co-chairman of the joint congressional panel has prompted some people familiar with the Inslaw case and its purported links to October Surprise to voice concern about a coverup. Senator Sanford, prior to his election, was the attorney representing Earl Brian in his 1985 takeover bid for United Press International (UPI) and was apparently instrumental in winning Brian, who is a medical doctor, an appointment to the board of the Duke University Medical School. At the time, Sanford was the president of Duke University.

Allan Michael May had reportedly contacted the jailed Riconosciuto as late as June of this year to urge him to keep his mouth shut about the \$40 million electronic wire transfer to the Iranians. According to Riconosciuto, May feared for both their lives. Riconosciuto had just given a lengthy interview to a Napa Valley, California newsman Harry Martin, in which he detailed key aspects of the Inslaw-October Surprise links. That story had first appeared in print in *EIR* in our Nov. 16, 1990 issue ("Did the 'October Surprise' Really Target Ronald Reagan?").

### **A mystery man and a mystery death**

According to a former senior federal law enforcement official deeply involved in probing the Riconosciuto allegations, the recent trail of blood silencing witnesses to what Casolaro dubbed "The Octopus" stretches around the globe as far as Australia. On July 26, 1991, less than two weeks before Casolaro's body turned up in the Martinsburg hotel room, police in Sale, Australia discovered the corpse of John Friedrich, a man alternately described as a con man and a master spy. Friedrich's body was discovered with a single bullet in his head, another victim of an apparent "suicide."

Friedrich had been scheduled to enter an appearance before the Australian Supreme Court on Aug. 1, where he was to either plead guilty or stand trial on 97 counts of financial fraud relating to the \$264 million collapse of the National Safety Council of Australia (NSCA) in 1989. The NSCA was a private entity originally incorporated in 1927 as a charitable organization to provide training and equipment to emergency service and police agencies. Under Friedrich's leadership, it had been built up into an international private army with training and service contracts with intelligence and military services around the free world.

According to news accounts, Friedrich had been a close ally of Irangate figure Oliver North and North's Israeli counterpart Amiram Nir. (Nir himself died or disappeared in De-

cember 1989 in a plane crash in Mexico. Nir was one of the few Irangate principles who, by public admissions, met with Vice President George Bush to discuss the Iran-Contra program in detail.) In 1982, at least two groups of retired American Green Berets arrived in Australia to receive further paramilitary training at Friedrich's NSCA facility at the West Sale Airport.

Days before his death, Friedrich completed a book-length account of his activities with the National Safety Council of Australia, which purportedly contains material that could bring down the government of Australian Prime Minister Bob Hawkes and could open a damning new, British-Australian-Israeli chapter of the Iran-Contra scandal.

According to Dr. Anthony Casolaro and Inslaw President Bill Hamilton, in the weeks leading up to Danny Casolaro's death, he had received at least four separate warnings that his life was in danger if he continued to pursue the Inslaw-October Surprise-Irangate story. In the aftermath of his death, a storm of controversy has broken over whether he did indeed stumble upon new evidence blowing open the scandal of the century, or whether his probe reached a dead end and he took his own life in a moment of despair.

Whether by design or by carelessness, the Martinsburg, West Virginia police and coroner destroyed critical evidence that may forever foreclose a scientific answer to that question.

Nevertheless, the shocking pattern of recent mysterious deaths—Casolaro, Ng, Eisman, May, Friedrich, and perhaps others—demands the kind of thorough probe that has been recently urged by former Attorney General Elliot Richardson, among others.

One of the most compelling reasons for such an independent probe by a special prosecutor centers around the behavior of Attorney General Richard Thornburgh, who has just made good his promise to resign and run for the Pennsylvania Senate seat vacated by John Heinz's death. By the time Thornburgh became Attorney General in August 1988, all the key events in the Inslaw conflict with the Department of Justice had already occurred. Yet, Thornburgh launched a nearly obsessive effort to bury the Inslaw affair, even to the point of risking an indictment for contempt of Congress for his refusal to turn over crucial documents to House Judiciary Committee chairman Jack Brooks (D-Tex.).

There are reports from inside the Justice Department that key government documents relating to the Inslaw affair were stolen from the Attorney General's offices in a sinister replay of Watergate and the Iran-Contra affair.

There is far too much smoke here to allow anyone to comfortably believe that no fire exists: Missing documents, a string of "suicides" by key investigators and witnesses on the eve of major public hearings and government probes. The pattern of events stand out over and above any one particular incident or fact. This is one mystery that cries out for thorough investigation.