

## Justice Department misconduct aired by independent panel

A series of extraordinary public hearings was convened on Aug. 31 and Sept. 1 in Vienna, Virginia, to investigate allegations of gross misconduct by the United States Department of Justice.

The independent hearings, which were facilitated by the Schiller Institute, were prompted by the refusal this past summer of the House Judiciary Committee probe of the incident at Waco, Texas, to actually hear evidence of rampant corruption by the permanent bureaucracy at the U.S. Department of Justice. Initially, those congressional hearings seemed to be driven by broad-based, bipartisan concern that the Waco case, along with other pertinent cases, was a predicate of a continuing pattern of behavior by certain elements attached to the Department of Justice.

But, once those hearings were hijacked by a group of Republican congressmen whose only objective was to pillory President Clinton, the result was a massive coverup of the Department of Justice corruption the Congress had promised to investigate.

An overview of the deliberations of the panel convened by the Schiller Institute, has now been produced in videotape form, under the title "The Dirty Side of Our Justice Department." The two days of testimony, which concentrated on misconduct ranging from political targeting of African-American elected officials, to the gross abuses in the Department of Justice Office of Special Investigation's Demjanjuk case, to the LaRouche case, have been condensed into an approximately 100-minute tape. Followup tapes, of broadcast length and quality, are still in the process of production.

In the near future, a rough transcript of the proceedings will be produced by the Institute, for circulation on Capitol Hill and in other political circles.

At the conclusion of the hearings, the panel decided that it was impossible to adequately summarize the results of the hearings in a short concluding statement. However, the Schiller Institute has made the initial videotape available. What follows is the transcript of the tape, with the minimum necessary editorial notations.

For copies of the videotape, or the full transcript, please contact the Schiller Institute at P.O. Box 20244, Washington, D.C. 20041-0244.



*Civil rights attorney J.L. Chestnut (right) chairs the panel. Said Chestnut, of the international mobilization to expose the Justice Department's corruption: "This is not going to be a situation here, where you're going to stomp on us, and we're going to say, 'Yassir, boss.' No way."*

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## Introduction

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**Announcer:** On Nov. 17th, 1993, the U.S. Sixth Circuit Court of Appeals ruled that the U.S. Department of Justice had committed fraud upon the court by falsely and maliciously prosecuting retired autoworker John Demjanjuk, a court decision which finally closed a 17-year ordeal which almost resulted in Demjanjuk's execution. Even more shocking, the same corrupt members of the Justice Department's permanent bureaucracy have been found to be at the center of many other cases, in which there is indisputable proof of gross prosecutorial misconduct.

On Aug. 31 and Sept. 1, 1995, a distinguished panel of American legislators and international observers held extraordinary hearings to investigate the Justice Department's politically motivated and illegal targeting of groups and individuals. The panel included Rep. William Clark of Alabama; Rep. Toby Fitch of North Carolina; Sen. Robert Ford of South Carolina; Sen. Maggie Wallace Glover of South Carolina; Msgr. Elias El Hayek of Montreal; Rep. John Hilliard of Alabama; Rep. Howard Hunter of North Carolina; Rep. Ulysses Jones, Jr. of Tennessee; and Rep. Percy Watson of Mississippi.

The hearings were observed by: Dr. Kofi Awoonor, former ambassador to the United Nations of the Republic of Ghana; Marino Elseviff of the Dominican Republic; Dr.

Josef Miklosko, former vice-premier of the Republic of Czecho-Slovakia; and noted civil rights leader Amelia Boynton Robinson.

The first day's sessions were largely devoted to one of the ugliest stories in U.S. judicial history: the campaign to harass, entrap, and prosecute every African-American elected official in America. This was followed by the case of Lyndon LaRouche, often referred to as "the American Dreyfus," which included testimony from attorney Odin Anderson, LaRouche himself, and former U.S. Attorney General Ramsey Clark.

The Demjanjuk case was detailed by his Israeli attorney, Yoram Sheftel, who risked his own life, to save his client from the hangman; and Dr. Hans Koechler, of the International Progress Organization, described how former U.N. Secretary General Kurt Waldheim, when he became President of Austria, also became a target of a corrupt unit within the U.S. Department of Justice.

The hearings were chaired by former South Carolina Congressman James Mann and by Alabama's most renowned civil rights attorney, J.L. Chestnut.

**Chairman J.L. Chestnut:** This is an independent panel of my distinguished colleagues from all over this country, who have come to this place, at this time, to investigate allegations of misconduct by the United States Department of Justice generally, and, in particular, their targeting of black elected officials.

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## I. The Justice Department's harassment of black elected officials

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### From the testimony of Sen. Theo Mitchell

**Senator Mitchell:** As a public official in 1982, the Alcohol, Tobacco, and Firearms Department (which some of us are familiar with since Waco, Texas and the Branch Davidians), conspired with the Ku Klux Klan to set up and to have me charged with violating the Food Stamp Act of the United



*Whatever these proceedings generate, it is something that has never been done before: To tell the story of the*

*African-American elected official . . . the pain, the indignities, the humiliations, and the destruction of our families, our professions, and our businesses. — Theo Mitchell*

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States of America. This resulted in a trial. The FBI records reflect that they knew the Ku Klux Klan had been after me since 1979, but it didn't stop the FBI from knowingly enlisting their help.

I went into the legislature in 1975. I vigorously opposed the death penalty in 1977; and as such, as quoted from some of the redacted areas in this statement from the FBI, "The Klan wanted Mitchell out," and that "he better watch his back." I am proffering this to this [Schiller] Institute, to this tribunal, for whatever purpose.

In 1994, in my race for lieutenant governor, as I indicated, we were doing quite well, in a statewide race, in which I was the only black candidate. And after a run-off, a poll projection showed that I was a very viable candidate to be the next lieutenant governor of South Carolina.

I was hit between the eyes with a ton of bricks, from something that had happened six years prior to this election race. A former client of mine had been induced to plead guilty to selling drugs. I had represented him in 1988, in the

purchase of some real estate. Not being familiar with the pattern of the federal government, after being told by the purchaser that they would pay the taxes, we did not file 8300 forms on \$10,000 or more. Consequently, the Department of Justice reached back to this, and they threatened to charge me and two former secretaries with money laundering and conspiracy to commit money laundering.

Being the chief lawyer in that office at that time, I certainly did not want my former secretaries to be indicted. I was told by the United States Attorney, "We can indict you. We may not be able to convict you, but we'll go on to seek an indictment, of you and also those two secretaries."

**J.L. Chestnut:** One point of clarification. On your failing to file the 8300 form, were you the closing attorney in the purchase of land?

**Senator Mitchell:** No. I was the closing attorney in 1988 for a seven-installment transaction for a man who bought \$154,000 in property. He made payments. He was to have made the payments to the seller, but ironically, since I closed the loan, he'd put down \$25,000 in cash, and I raised a question, "Don't you have a check?" And he said, "I keep my money under my mattress." I wasn't in a position to ask him where he got his money. If I had known that Joe Withers, the guy in the Ku Klux Klan, was setting me up in 1982, I sure as hell wouldn't spend any time with him. But that's the guy who set me up, the Ku Klux Klan. I don't investigate my clients, I don't have the time, neither do I have the inclination, and, I certainly don't ask where they get their money. And the money was brought through the office and given directly to the seller. I never touched it. But it came through my office. He didn't pay the taxes. He didn't file the forms. So when they had a chance to hit me with a truckload of bricks, they did.

**J.L. Chestnut:** And you weren't even present when those transactions were done?

**Senator Mitchell:** I wasn't present when six of them were taking place, but I copped a plea. . . .

**J.L. Chestnut:** What is a form 8300?

**Senator Mitchell:** An "8300" is a form which should be filed, within two weeks after a person has transferred \$10,000 or more in cash, to the Internal Revenue Service.

**J.L. Chestnut:** Transferred from where, to where?

**Senator Mitchell:** Well, basically, if you handled it. . . .

**Rep. John Hilliard:** I look at you, and I look at other African-American legislators across the country, and I say that we could very easily switch roles: I could very easily be sitting there.

**Senator Mitchell:** Right.

**Hilliard:** And I realize that, every day that I walk into the legislative chamber, and even begin to think about fighting some of this racist legislation that is passing.

**Sen. Robert Ford:** In 1993, you were the only African-American chairman of a Senate standing committee, and that committee was Corrections and Penology. One of the things

that you were able to do, as chairman of the committee, was to stop a lot of mean-spirited legislation, from getting to the floor of the Senate. As a matter of fact, we killed that legislation in committee. I served on that committee along with Senator Glover. One of the things the Republican Party wanted to do in 1994, was to pass that very legislation: the "two strikes, three strikes, you're out" bill, the truth-in-sentencing bill. So, they stacked the committee. Before you

were formally ousted, they stacked the committee. Of the maybe 18-person committee, it must have had about 11 Republicans on it.

After they stacked that committee, your committee, their plan in 1994 was to pass mean-spirited legislation. That was the major thrust of the 1994 session. So, you *had* to be expelled, because there was no way those bills would have passed. If you were still chairman, South Carolina would

## The witnesses

**Odin Anderson** is the attorney for Lyndon H. LaRouche, Jr.

**Roosevelt Bell** has served on the City Council of Birmingham, Alabama for ten years. A close associate of Birmingham Mayor Richard Arrington, Bell presented the DOJ's campaign of harassment against Arrington.

**Ramsey Clark** was the Attorney General of the United States (1967-69) during the Johnson administration. He has represented Lyndon LaRouche on appeal.

**Tee Ferguson** and **Frank McBride** were longtime members of the South Carolina House of Representatives when they were caught in Operation Lost Trust's web. By the time of his trial, Ferguson had already gone on to win election to the South Carolina Circuit Court, the highest trial court in the state. Both served time in federal prison.

**Herbert Fielding**, in 1970, was among the first three African-Americans elected to South Carolina's legislature since Reconstruction. But in 1973, he was targeted by Operation Frühmenschen on charges of "failure to file" income tax returns. He was sentenced to a year in federal prison. In 1982, Fielding came back to the state legislature. He served as chairman of the state's Black Legislative Caucus. He was one of the most outspoken opponents of Operation Lost Trust, a DOJ sting operation.

**Dr. Hans Koechler** of Austria, a professor of the Philosophy of Law, serves as president of the International Progress Organization, a Vienna-based non-governmental organization with consultative status at the U.N. In 1987, he founded the International Solidarity Committee in Defense of Kurt Waldheim.

**Lyndon LaRouche, Jr.** is an economist, whose most significant professional achievement has been a 1948-52 research project resulting in the discovery of what became known later as the "LaRouche-Riemann method" in economics. He has sought the office of President of the United States five times, and is currently a candidate for the Democratic Party presidential nomination. He was a political prisoner from January 1989 to January 1994, and is now

free on parole.

**Theo Walker Mitchell**, a nationally prominent legislator, served ten years in the South Carolina House of Representatives and ten years in the State Senate, until he was ejected on Jan. 17, 1995. In 1982, the ATF conspired with the KKK to charge him with federal violations of the Food Stamp Act. He went to trial and was acquitted. In 1994, he was indicted again, and sentenced to three months in federal prison.

**Patricia Moore** was one of Compton, California's most prominent political figures, a close associate of then-mayor, and now-Congressman Walter Tucker. She served on the Compton City Council from 1989 to 1993 and had just filed her candidacy for California's State Assembly, when she was indicted on federal bribery charges. When she refused to cooperate with the DOJ's attempts to indict and destroy Tucker, the DOJ charged her with an additional 23 counts of violating the Hobbs Act. If convicted, she faces over 200 years in federal prison. Her trial is scheduled for January 1996.

**Ira B. Murphy** served 14 years in the Tennessee General Assembly, 10 of them as chairman of the Judiciary Committee. He was the founder of Tennessee's Legislative Black Caucus. He is a retired judge of the General Sessions Civil Division, but still practices law in Memphis. He presented the case of Rep. Harold Ford, who after two extended trials, and at a personal cost of several million dollars, was recently acquitted of all charges.

**William Nezowy**, president of the American Ukrainian Political Action Council of the United States, has spent over a decade fighting the OSI's persecution of Ukrainian-Americans and other U.S. citizens of eastern European descent.

**Yoram Sheftel** of Israel, one of Tel Aviv's most prominent criminal attorneys, risked his life to defend John Demjanjuk, who was illegally extradited to Israel, accused of being the Treblinka concentration camp mass killer Ivan the Terrible.

**Helga Zepp-LaRouche** is the wife of Lyndon LaRouche and a well-known German political figure. She is the founder of the international Schiller Institutes, and the president of the Schiller Institute in Germany.

have been the only state that did not pass those mean-spirited, but very much in vogue, bills pertaining to correction and penology and the judicial system. . . .

**Senator Mitchell:** If I had been convicted of a *felony*, I would have had the opportunity to have had a hearing; to have gone to committees, to have had the Ethics Committee hear my case and make a recommendation. But, I pleaded to misdemeanors, and I wasn't given due process or equal protection; I was summarily *drummed out*. I wasn't given the opportunity to be heard. Had this been, I believe, someone who was of a different color, I don't believe that an effort would have been made to have removed them, notwithstanding the fact that Senator Ford is right. The no-parole bills, all of this get-tough, mean-spirited legislation, came to our committee. It had clear racial overtones. So consequently, we put out what was fair legislation, and we resisted and held up that which we felt was inequitable and unfair, and certainly, mean-spirited. I was told that had I resigned the *chair*, I might well not have been expelled. But I felt that if I were qualified to be senator, I was qualified to be chairman. Consequently, I was expelled—the first in the history of the South Carolina legislature. And, I say, that I believe history will bear out the fact that I was *done wrong*. . . .

**Rep. Toby Fitch:** I'm glad to see you express the feeling that it happened to you because you *did* something. And I guess we all, Hilliard, and Jones, and I, looked at it from the same standpoint. You kind of skirted it, and dressed it up originally. I just want to make sure that this record is clear, that if you go and you *do nothing*, you're a "good guy." But if you go and you *make a ripple in the water*, that's where you have the problems.

### From the testimony of Sen. Herbert G. Fielding

**Senator Fielding:** I was one of three who were the first three blacks elected to the South Carolina House since the Reconstruction Period: Jim Felder, I.S. Levy-Johnson, and I were elected in 1970, and we started serving in January of 1971. Personally, after many, many confrontations, practically on a daily basis, with the Speaker of the House, in 1973, I was charged with "failure to file an income tax return," and I was sentenced to one year in jail and a \$10,000 fine.

In 1974, thirteen blacks were elected to the South Carolina House of Representatives. Senator Mitchell was one of those 13. In 1984—I resigned from the House when I was sentenced, but I came back to the House in 1982—in 1984 we got single-member districts in the Senate and four of us were elected at that time. By July of 1990, there were five of us blacks in the South Carolina Senate and 16 blacks in the South Carolina House. Several of the members, of the House, particularly, had advanced to key positions of leadership, and there were many others who were close to key positions of leadership, and that was when the explosion came down. Eighteen legislators were targeted in what has now come to be known as Operation Lost Trust.

In the Lost Trust cases, the first to be tried was a black representative, Rep. Luther Taylor, who had been arrested and interrogated in a hotel room for two days, while they plied him with liquor, denied him his right to call a lawyer, and even refused to read him his Miranda Rights.

At the same time, several high-ranking whites were never even charged, despite having supposedly committed the same crime as the black legislators. In the meantime, five of the convictions have been overturned by the Fourth Circuit Court. The original federal judge is now seriously considering the charges of prosecutorial abuse, and is in the process of going over boxes of evidence which had been withheld from the defendants at the time of their trials.

### From the testimony of Judge Tee Ferguson

**Judge Ferguson:** I would like, prior to making comments, to give you somewhat of a further backdrop of this whole Operation Lost Trust, and at least the African-American members of our state delegation who were involved. Luther Taylor was the first to be tried. He was first vice-chairperson of Banking and Insurance, a very powerful committee in our state. He was a powerful personality on that committee, and I think would have *won* the chairperson's election, had he been there the next time around.

Representative McBride, seated to my extreme left, was first vice-chairperson of the Education Committee; at Operations and Management you had Rep. Jim Faber; you had Rep. Larry Blanding, who had already acquired enough votes to have a seat on our State Employment Security Commission. Of course, I had won a seat on our State Circuit Court from Spartanburg County. That's the highest trial court in our state. You had Rep. B.J. Gordon, who was the ranking Democratic member of our House Ways and Means Committee; you had Rep. Ennis Fant, from Greenville, Congressman Mann's county, and, of course, Senator Mitchell's county. Representative Fant, in my view, was one of the brightest people whom I saw come to the legislature while I was there. He was the driving force behind putting together an Accommodations Law in our state, which prior thereto had none, extremely knowledgeable in the banking and real estate areas, a young man who put together a patent while he worked at one of the chemical companies there in the state, that the company later bought from him. A dynamic personality who, I'm satisfied, was well on his way to becoming one of the determining factors in our state, at 27 years of age. And of course, from Orangeburg County, Rep. Ken Bailey, a very well-respected member of not only the Black Caucus, but the General Assembly as well.

So this wasn't just an arbitrary kind of thing of just going after blacks. It went after blacks *who were in decision-making positions*; people who were very well poised to become chairpersons, of important committees. They were one election away from becoming chairpersons. So, not only did this Operation Lost Trust take us down numerically, it took African-Americans in the state down from a *power* perspective.

## From the testimony of Rep. Frank McBride

**Representative McBride:** I think that the system in South Carolina helped pick out some of the members of the South Carolina Legislative Black Caucus to be targeted in this. And I think one of my problems, was that when I first went to the House in January of 1985, a retired Supreme Court justice who was still hearing cases had made the comment over in Anderson, down in South Carolina, after he had sentenced some black boys to 15, 20 years in prison, that he wanted to know, what were "those niggers" protesting outside for. The media picked it up from his mike at the desk, and it was printed in the paper. I read the article that Sunday, and I went in Monday, and drafted a resolution to have him removed, and not hear any more cases in South Carolina. I had that passed. Senator Mitchell picked it up in the Senate, and it was passed in the Senate. The judge has never heard another case in South Carolina. Things like this just snowball, and I really think they keep records on you as they pertain to this.

There are several criteria that must be met for a person to be a target in a federal investigation. And one, very important, is a predisposition. A person has to be predisposed to commit a crime before you can make him a target. I certainly wasn't; and none of my other colleagues were. The government was definitely wrong in targeting us, without us being predisposed to criminal activity.

All eight African-Americans who were targeted, and eventually indicted, with this pari-mutuel betting deal, had been sponsors of this bill *for years*. . . .

**J.L. Chestnut:** This business of targeting black folk, particularly black officials, goes to the time we first had black elected officials, going all the way back to Reconstruction, which somebody mentioned. In 1985, Ronald Reagan's Justice Department came to Alabama and returned 126 indictments, or charges, against carefully selected black leaders. Each one was charged with something called vote fraud. I had a meeting with Edwin Meese, who was then the Attorney General of the United States, and asked him, what was vote fraud? He didn't know, I didn't know.

We raised some money, not much, but then we got our folk together. Those who were charged, we reminded them of what had occurred in Alabama in the 1960s; that they had to be ready to die, if necessary, go to jail, whatever, they had to be ready to turn a town inside out, upside down. We had to be prepared to boycott, march, demonstrate. We tried every damned case, every one. And the government won only one; and that one was reversed on appeal, on grounds of selective prosecution, and the government refused to retry.

## From the testimony of Patricia Moore

**Patricia Moore:** The effect of what they do is so devastating; it's so far-reaching. It destroys our hopes, our dreams, our promises, if this isn't stopped now. It should have been addressed when Congressman Dymally, back in the late '70s, early '80s, introduced this to the Black Caucus and into the

*Congressional Record*, that Operation Frühmenschen was an official policy of the FBI, and what it does to people. If it would have been addressed then; if black people across this nation, especially black leaders who had been victimized, would have put support, put money, into a center to fight harassment against black elected officials (because Congressman Dymally proposed this, but he couldn't get support); if this would have happened, then these men and myself would not be here today. This would not have happened to us.



**Y**ou don't get any respect, even if you try to work with them; they manipulate and use you, and when they're finished, they cast you away. This is serious. — Patricia Moore

## From the testimony of Judge Ira Murphy

**Judge Murphy:** Members of the panel, I've been asked to present to you an overview of the case known as the *United States of America v. Harold E. Ford*.

One can say that Congressman Ford's travails began almost immediately upon his upset victory over a very popular Republican congressman, who then represented an almost majority African-American district.

The Ford case, I submit to you panelists, will be an essay on prosecutorial misconduct. And I think it's bound to become one of the most egregious cases in the harassment and abuse of a black elected official in the history of the United States Justice Department. . . .

Congressman Ford weathered a ten-year ordeal of government abuse and harassment. The attack first surfaced in 1983, and continued to the 58-count indictment on various bank fraud charges on April 24, 1987, then to the first trial on Feb. 12, 1990, which ended in a mistrial after 22 days of testimony, 29 witnesses, 150 trial exhibits, 110 pages of jury instructions, and 12 hours and 35 minutes of jury deliberations, and several hundred thousand dollars [in legal costs incurred] by the congressman.

The congressman was retried in April of 1993 in Jackson, Tennessee, outside his home county and congressional district. In the second trial, he was acquitted of all charges, notwithstanding the government's overwhelming effort and



waste of spending of several million dollars.

Now, without a real case, it was incumbent upon the government to manipulate the system to try to get a conviction. . . .

The government's next ploy was to start a media campaign against the congressman about not getting an unbiased jury. This is after they had sought to get a *biased* jury in the first case, by moving the trial to east Tennessee.

At the conclusion of the first trial, the government then renewed its effort to get a biased jury, again. And, with the help of the judge — and I respectfully submit, this was a black judge — they succeeded in getting a change in venue.

So, this went again to the Court of Appeals for the Sixth Circuit.

**J.L. Chestnut:** The judge granted the government motion?

**Judge Murphy:** Yes, sir, absolutely, he did. And of course, you know, a lot of us were chagrined by that move, but it did occur.

**J.L. Chestnut:** Who had appointed him? Bush?

**Judge Murphy:** No, this was an appointment by President Carter, that had been recommended by Congressman Ford!

Of course, the move was challenged very vigorously, and went back to the Sixth Circuit. Those of you who are attorneys, know that the Sixth Circuit is one of the most conservative circuits in the country. And the move was sanctioned by the Sixth Circuit, and the Supreme Court rejected the appeal.

So here we are back to trial again — in a second trial. The case was moved again to Jackson, Tennessee. And this is one of the things that happened in Mr. LaRouche's case: You have the government shopping for venue! And when you have no case, you have to resort to tricks, and manipulate the system. . . .

But, let's get back to the trial in Jackson, Tennessee. It went on with a predominantly white jury. But, with a vigorous defense, and with the exposure of the government's case, the government didn't even have the witnesses to prove conspiracy. And, of course, as Judge Ferguson indicated, conspiracy is a tool that the government is using to abuse black elected officials. But in this case, the alleged co-conspirators were not available, or, the government didn't want to risk their presentation.

So the case caved in, after Congressman Ford had spent several million dollars, and the government had probably spent ten times as much, as he had spent. And so, he was finally acquitted of all of the charges — *all of the charges* — against him. And right now, he would perhaps be the highest-ranking Democrat in the state of Tennessee.

### **From the testimony of Councilman Roosevelt Bell**

**Councilman Bell:** I want to say here, that the record will show, that for the last 20 years, Richard Arrington, Jr., has

been a constant target for prosecution. I believe that much of that prosecution was at the hand of our government. I heard the statement today, for the first time, that "I love my country, but I fear my government." I'm afraid I'm going to have to subscribe to that statement.

**J.L. Chestnut:** For the record, Richard Arrington is the black mayor of Birmingham, and he has been subjected to ten years of intensive investigations by the federal government.

A black woman came into my office several years ago, right in the midst of all of these investigations. Her name was Marjorie Peters. And she said that she had been a consultant, as Councilman Bell knows, that she had been a consultant to the City of Birmingham, and that the government had found some fake invoices that she had sent to the City of Birmingham, and collected the money. There wasn't any question that they could prove it. But they had offered her a deal, that she could walk, if she would bring down the black mayor of Birmingham; and, for some strange reason, she came to me. I would have thought that I would have been the last person; but she did come.

And I gathered, from her having picked me out, she had no intentions of bringing down anybody black. So I said to her, "Well, we will go to trial." And there was a terrible trial there. The mayor was in contempt of court and sent to federal prison. But Marjorie Peters *never, never* cooperated with the government. J.L. Chestnut *never, never* cooperated. When I say "the government," I'm talking about the Justice Department.

The end of all of that was that the government didn't even *indict* Mayor Arrington, much less convict him. And they had promised Marjorie Peters that she was going to do 200 years. I think that she got about two or three years, and that was it. But once again, *it required one hell of a fight*. Once again, it required that those in power understand, that this is not just a fight in the courtroom. It's going to be up and down the streets of Alabama. It's going to invoke boycotts, and reminiscences of the 1960s, and every damn thing else we can come up with. This is *not* going to be a situation here, where you're going to stomp on us, and we're going to say "Yassir, boss." No way. And that is the *only way* we got out of that. Except for that, Dick Arrington would be the *ex-mayor* of Birmingham.

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## **II. The vendetta against Lyndon LaRouche**

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### **From the testimony of Odin Anderson**

**Odin Anderson:** I have represented Lyndon LaRouche since 1984, at which time he was directly targeted by the Department of Justice, through the U.S. Attorney's office in Boston, although there is a history of many years prior to that.

Why is this case of Lyndon LaRouche of interest to you

**Memorandum**

TO: a) DIRECTOR, FBI (100-449698)

FROM: SAC, NEW YORK (100-163303) (P)

SUBJECT: COINTELPRO - NEW LEFT

Re New York letter dated 3/11/69.

Enclosed herewith are two copies of a suggested leaflet entitled "The House Creep Revolution," designed to cause disruption in the Columbia University chapter of the Students for a Democratic Society (SDS). It is noted that a wide split between the SDS Columbia Chapter and the so-called NY SDS Labor Committee has developed in recent months. It is felt this leaflet will serve to widen this split.

This leaflet was written in the jargon of the New Left necessitating the use of a certain amount of profanity.

Bureau authority is requested to prepare and mail (anonymously) the enclosed leaflet to selected individuals and organizations active in the New Left movement.

REC-1A

RECEIVED

January 12, 1983

MEMORANDUM TO MR. REVELL

RE: U.S. LABOR PARTY

At the FEAR meeting today, David Abshire raised the subject of the activities of the U.S. Labor Party and Americans in public life had been the subject of repeated harassment by LaRouche and wondered whether the FBI had a basis for investigating these activities under the guidelines or otherwise. A number of the members present, including Edward Bennett Williams, raised the question of the funding of the large amounts obviously being expended worldwide, the question was raised whether the U.S. Labor Party might be funded by hostile intelligence agencies.

Can you give me an update together with any comments or observations on this matter?

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-21-83 BY SP10/STW

William H. Webster  
Director

1 - Mr. O'Malley

100-457957-1579

FIGURE 1  
The vendetta against LaRouche

e) The Boston Herald, Thursday, May 5, 1988

# LaRouche jury would have voted 'not guilty'

By SHELLEY MURPHY

FOUR LaRouche organizations were charged with credit card fraud, all of which allegedly occurred during LaRouche's 1984 presidential campaign.

A federal judge declared the mistrial yesterday for LaRouche and his aides, ruling that the 16 jurors would suffer "severe hardships" if the four-month trial continued.

In a surprise vote taken in the jury room after they were excused, jurors unanimously decided they'd find LaRouche, six aides and five organizations innocent of all charges based on evidence presented since the trial began Dec. 27.

"We would have acquitted everybody at this point, and that's based on prosecutive evidence," said Roman Dushawitz, a defendant. "There was too much question of government misconduct in what was happening in the LaRouche campaign."

U.S. District Judge Robert E. Keeton said the trial, originally scheduled to last three months, undoubtedly would spill over into late fall, disrupting the lives of four jurors who have plans for surgery, vacations and job promotions.

Keeton's decision led to vows from prosecutors that there would be a retrial and a lawsuit from LaRouche's attorney that his client had not been vindicated.

Attorney Odin Anderson, who represents LaRouche, said that

Four LaRouche organizations were charged with credit card fraud, all of which allegedly occurred during LaRouche's 1984 presidential campaign.

"I can't see a lot of documentation of government help by Dushawitz," he said. "There was a question of how many illegals were government agents. How many LaRouche supporters were government agents? Four other jurors affirmed they didn't have evidence and government trial.

When asked to the jury-rooms for acquittals, defendant attorneys Frank Mara Jr. declared, "I'm not a defendant and I'm not a trial."

The mistrial followed a hearing Monday in which four jurors described a "serious problem" that would arise if the trial continued beyond Keeton's decision.

Keeton told jurors yesterday he approved

c) HENRY A. KISSINGER

CURTIS SCHEER

August 19, 1982

Dear Bill:

I appreciated your letter forwarding the flyer which has been circulated by Lyndon LaRouche, Jr. Because these people have been getting increasingly obnoxious, I have taken the liberty of asking my lawyer, Bill Rogers, to get in touch with you to ask your advice, especially with respect to security.

It was good to see you at the Grove, and I look forward to the chance to visit again when I am next in Washington.

Warm regards, 16 SEP 28 1982

Henry A. Kissinger

Mr. William H. Webster  
Director  
Federal Bureau of Investigation  
Washington, DC 20535

HENRY A. KISSINGER  
Room 500  
1800 K STREET, N.W.  
WASHINGTON, D.C. 20006

688  
141  
acknowledged

FBI  
Date: 11/23/73

REBulet, 10/29/73.

Interviewing New York case file it is noted that information has been received that the CPUSA is conducting an extensive background investigation on the subject for the purpose of ultimately eliminating him and the threat of the CP operations. Several sources have furnished this information to the New York office, and this information has appeared in the Daily World newspaper several times.

NCLC sources have advised that the subject is the controlling force behind the NCLC and all of its activities. A discussion with the New York NCLC case agent indicates that it is felt if the subject was no longer in control of NCLC operations that the NCLC would fall apart with internal strife and conflict.

New York proposes submitting a blind memorandum to the "Daily World" CP newspaper, in New York City which has been sent from outside the city that this would be appropriate under

busy senators and representatives of color, who have very busy agendas, and a lot of work to be done for your own constituencies?

Because political targeting is political targeting, whether it's on the basis of race, which we see constantly, and you deal with it every day of your lives, before you became elected representatives and certainly now, in a different way, or for other political reasons; or political advocacy of various kinds, if it is not of the sort that is favored and smiled upon by the federal government, becomes the object, under the direction of the Justice Department, of targeting and, ultimately, prosecution. And that's what happened in the case of Lyndon LaRouche, and it's what happened in many of the other cases, if not all of the other cases, that you've been addressing this morning. . . .

Probably the best way to demonstrate the government's

venal behavior, and the unconstitutional activities undertaken directed out of the Criminal Division of the Department of Justice, is to show you their own documents, and read to you their own words.

What you see before you (Figure 1a), is an FBI memorandum from the SAC, who was the Special Agent-in-Charge of the New York Field Office of the FBI, to the director. It's dated March 1969. It requests authorization of the director to issue a false leaflet, to stir up antagonisms between these various factions of SDS [Students for a Democratic Society]. Now I'm sure that's a tactic familiar to all of you, if in slightly different form. They want to disseminate this leaflet under false cover, to various of these groups and stir up as much controversy among them, hopefully undermining their ability to act in concert and getting them into faction fights which would destroy their efficiency and cohesion.



So in 1969 and the 1970s, this was the kind of activity which was going on against the LaRouche political movement and many others, including people you're well acquainted with personally.

The next document (**Figure 1b**) is to the director, again from the SAC in New York, regarding the named subject, Lyndon Hermyle LaRouche, Jr., also known as Lyn Marcus, as they suggest. This is one of the most incredible pieces of FBI material that I have ever seen. And I have to stress something to you, all of you who were involved in the effort. And you'll ask: What is our agenda? How do we fight against these wrongs, these evils emanating from the very center of our government?

One of the difficulties, is that *you can't get the proofs*. Where are the proofs? The proofs are hidden. It has taken us, literally, years. I appreciate the kind words, but my time is *de minimus*, compared to the time of all of the others who have contributed to the effort to bring this case to the point at which it currently exists. An unsatisfactory point, but a point, nonetheless, where we have established evidence which clearly demonstrates, to any honest and unbiased viewer, the level of government misconduct that went into this entire witch trial of Lyndon LaRouche.

**J.L. Chestnut:** What is the CPUSA referred to in the document?

**Odin Anderson:** That's the Communist Party of the United States. What this memorandum suggests, is that the Communist Party has let the FBI know, that they want to eliminate Lyndon LaRouche for their political reasons. They consider him to be a politically dangerous person, and the

**Sen. Robert Ford:** Maybe everybody else knows, but I don't. Mr. LaRouche isn't an African-American. And apparently, he isn't Jewish. So, why LaRouche? Why did they go after him?

**Odin Anderson:** I think he, far more eloquently than I, can probably tell you who he is, and what he stands for.

**Senator Ford:** I can see the government going after us. But who is Mr. LaRouche, and why is the government —

**Odin Anderson:** For, basically, the same reasons they're going after you: They don't like what he stands for, and they don't like what he's doing. He just doesn't happen to be black.



*Odin Anderson*

Communist Party wants to eliminate him.

If you look at the bottom, New York proposes submitting a blind memorandum to the *Daily World*, to foster these efforts. Here is the FBI climbing in bed with the Communist Party, in order to effect the elimination of Lyndon LaRouche from the political scene. I think we all know what that means.

So, moving into the '80s: Henry Kissinger, whom we all know by name and some probably remember by reputation and actions, was a very powerful man. Mr. LaRouche took exception to his policies, which he considered to be genocidal, particularly in the context of the financial policies and the conditionalities imposed on the Third World, in order to get monies from the World Bank, and got into a serious row with Mr. Kissinger.

And Mr. Kissinger writes (**Figure 1c**), on his letterhead, to William Webster, the director of the FBI. They had recently had a lovely social occasion together at the place called the Grove, where these powers associate and frolic around in various curious ways. And, after that, he appreciates having seen him there, and asks for the assistance of Bill Webster in dealing with the LaRouche menace. . . .

A short period thereafter, "Buck" Revell, who was the head of counterintelligence for the FBI at the time, is sent this memorandum (**Figure 1d**) by William Webster, who had been contacted by David Abshire of PFIAB, that's the President's Foreign Intelligence Advisory Board. And the same parties, Henry Kissinger and his colleagues, are now raising before PFIAB, the question as to whether LaRouche, because he seems to have funding from sources that they don't understand, is possibly operating as a foreign intelligence agent, and they want them to look into this.

Now, what that does — and the words are bad enough, but the reality is terrifying — is this triggers Executive Order 12333, which allows virtually *any form of conduct, any activity*, to be undertaken, provided it's under this national security cover. So this was the beginning of a national security-covered operation against Mr. LaRouche and his colleagues.

Why do we have these documents? Not because they gave them to us. *They hid these from us*. We finally, after years of fighting FOIA [Freedom of Information Act] litigation cases, were able to peel off small pieces of this grapefruit. There's still a lot left down there. We haven't even got to the seeds yet, we're still working through the pulp.

The common denominator among all of these cases, is twofold. It's, as I said, political targeting, and it's the Criminal Division of the Justice Department. Can you imagine a more frightening thing, than to realize, that among the worst abuses of our constitutional rights as a people and as individuals, are, in fact, being planned and directed out of the very heart of the agency that's supposed to be protecting those rights?

You probably also know, from your own experiences with colleagues who have run afoul of the situations that have been discussed, that the first place they try you, is in the

press. Only *then* do they try you in the courts, once they've set the stage, once they've poisoned the minds of the community against you. Then they haul you into court, where you can't get a fair trial, because the jurors who are sitting there, have been told for days, months, years, or millennia, what a bad person you are, and what horrible offenses you've committed against the moral or social fabric of the community.

Well, that's precisely what happened in the LaRouche case, *probably more so than in any other case.*

This (**Figure 1e**) is an article from the *Boston Herald*, and I'm only showing it to you for one reason, not because of the highlight, "LaRouche Jury Would Have Voted 'Not Guilty,'" although that's true, and does come out of the words of the jury foreman who was interviewed. But, in the first line of text, there are some very important words from the foreman:

"We would have acquitted everybody at this point, and that's based on prosecution evidence," said foreman Dasha-zewt. "There was too much question of government misconduct in what was happening to the LaRouche campaign."

"Government misconduct." Very seldom do you get a jury to see it, because the government fights you tooth and nail. They lie, they cover up evidence, they, in fact, deny information to their own agents, so that their agents won't be in a position to have to intentionally not disclose it. These are common tactics, and that's what happened here. Fortunately, in our case, we were able to show enough of it to the jury, so that the jury got the smell.

However, the government wasn't about to quit, particularly having taken what was a serious public relations beating, so they decided to switch forums, come down to a much more favorable forum, in fact *the* most favorable forum, the Eastern District of Virginia: the so-called "rocket docket," the home of almost every government agency and government contractor in the country, with a few other pockets here and there. . . .

Ramsey Clark, former Attorney General of the United States, who has been with me on all of the appeals, joined the effort just after the sentencing of Mr. LaRouche and his colleagues in 1989. Recently, he wrote a letter to the Attorney General, asking for a departmental review of the LaRouche case, and I'd like to read you some portions of his letter:

"Dear Attorney General Reno,

"I have been an attorney in this case since shortly after the defendants were sentenced in January 1989 and appeared as co-counsel on appeal and on the subsequent motions and appeals in proceedings under 28 U.S.C. Sec. 2255 and F.R. Cr.P. Rule 33. I bring this matter to you directly, because I believe it involves a broader range of deliberate and systematic misconduct and abuse of power over a longer period of time in an effort to destroy a political movement and leader, than any other federal prosecution in my time or to my knowledge. Three courts have now condemned the Department's

conduct in this prosecutorial campaign. The result has been a tragic miscarriage of justice which at this time can only be corrected by an objective review and courageous action by the Department of Justice."

### **From the testimony of Ramsey Clark**

**Ramsey Clark:** I'll start and end with the case of Lyndon LaRouche and his co-defendants, not because it's the Alpha and Omega, although it's about as close as a case gets to the potential perfidy of justice, but because it shows how bad it can be, and yet, it has, as so very, very few of these cases ever do, a positive side that we have to consider. . . .

I had followed the earlier case in Boston, which, by any measure, was an extremely peculiar case, both in its charges and its prosecution, and in its history. I knew the judge there as a fellow Texan, and his brother, Page Keeton, had been dean of the law school where I started out, down at the University of Texas. The Boston judge is one of the old school, that doesn't like tricks, falsity, or injustice, and he became outraged with the prosecution, and did a lot. I can't tell you he did all that a judge could have done. I believe Odin [Anderson] would agree, though, he did a lot. And not many judges, who come through a political conditioning and process, have the courage to stand up to the power of the Executive branch, to the FBI and others, and say the things that he did. And that was almost an early end to a malicious prosecution.

But in what was a complex and pervasive utilization of law enforcement, prosecution, media, and non-governmental organizations focussed on destroying an enemy, this case must be number one. There are some, where the government itself may have done more and more wrongfully over a period of time; but the very networking and combination of federal, state, and local agencies, of Executive and even some Legislative and Judicial branches, of major media and minor local media, and of influential lobbyist types, the ADL [Anti-Defamation League] preeminently, this case takes the prize.

The purpose can only be seen as destroying — more than a political movement, more than a political figure — *it is* those two; but it's a fertile engine of ideas, a common purpose of thinking and studying and analyzing to solve problems, regardless of the impact on the status quo, or on vested interests. It was a deliberate purpose to destroy that at any cost. . . .

In the LaRouche case, they're book people. I have to confess to an intellectual weakness: I find reading easier than thinking, so I read constantly, nearly blinded myself from too much reading. I've got 15,000 books at home, read most of them, unfortunately. As you can tell, I haven't learned much, but I haven't stopped yet. These are book people. They had publishing houses going on. Important publications. Non-profit stuff. This is what they were about: *ideas, information, social change.* Meeting the needs of human people all over the world, humanity all over the world. We're

going to have a billion more people before the end of this millennium, century, decade, and the vast majority, 80%, are going to have beautiful, darker skin. And they're going to live short lives, *short lives* of sickness, hunger, pain, ignorance, and violence, unless we act *radically*. And these books have ideas. Some will work, some won't work, but they're ideas. They can be "tested in the marketplace," as we used to say.

And the government came in with a *false* bankruptcy claim, against a non-profit publishing house, and *shut 'em down!* What's the First Amendment worth? "We'll silence you, you'll have no books out there."

And not only that: Then they took people who were contributing and supposed to be paid back their loans to the publisher, and tried to prosecute, falsely, on it. They put on witnesses, to give false testimony. From the tens and tens of thousands of contributors, and thousands of people who gave loans, they come up with a baker's dozen, roughly, 13, 14, 15 people, who got their feelings hurt, perhaps, and some who were mean-spirited enough to lie about it, and who didn't get their money back, although they were being paid back. Because anybody can have a financial crunch, where you can't pay back.

Imagine what would happen to political campaigns in this country, if you enforced law strictly against those who are raising money like this, by inquiring about all the people who gave money, whether they got what they wanted, what they expected and whether they were misled about it, or anything else. Nobody could run for office. . . .

I read the record. In addition to reading books, I read lots of records, from trials. Absolutely no evidence to support a conviction there. If you take it all, if you exclude the parts that were false or venomous, there's not even a shell. But they had to say that this noble enterprise, agree or not with it, was corrupt. Corrupt. "Have nothing to do with it. It's corrupt." Nobody respects financial or other corruption. Destroy 'em that way.

They were put to trial, without any chance to prepare their case, and they made a valiant effort, and got consecutive sentences. Unbelievable! When the government will use that much force, that much energy, that much of its resources, to destroy an idea or movement of people.

So this is one reason to look at what's happening here. I don't know much about it, I just see it from afar, I'm just a lawyer. But, talk about getting heavy bodyblows! This Lyndon LaRouche and his supporters and people who work with him—heavy bodyblows. *Five mean years in prison*. Constantly worried about health, and all the rest. Continuing prosecutions, with *unbelievable* sentences: 77 years, 44 years. You can't say draconian. They're essentially *psychological death sentences*, if not physical death sentences. Constantly coming at you. And there they are. And here we are.

**Senator Fielding:** I've heard some things here, in the past two days, that really bother me tremendously, about the

United States Justice Department. We have heard tales of, actually, I think, criminal and deliberate suppression of evidence by certain sections of the OSI [Office of Special Investigations], in the Justice Department, and also what you call prosecutorial abuse, by that particular section in the Justice Department, and the Justice Department as a whole. And it really bothers me. And I'd like to know, just what we can do specifically, to ensure that this doesn't happen in the future?

**Ramsey Clark:** OSI ought to be abolished. It should never have been created. It's an instrument of hatred, when there ought to be an end to it.

It's not, however, the office that caused Waco or so many other things. We have a new and dangerous mentality. We have developed a police mentality, that loves the SWAT team, the image of the SWAT team. They absolutely love it! They don't believe they're real policemen, unless they can come in with a Rambo fire capacity and shoot up the place, you know?

We worked hard at the idea that *a police officer is a public servant*. He is a *civil* servant. She has an obligation to serve the community, to reconcile, to *prevent* violence, not to cause violence. To *solve* problems, not to *create* problems.

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### III. The Justice Department OSI's attempted murder of John Demjanjuk

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#### From the testimony of Yoram Sheftel

**Yoram Sheftel:** The Demjanjuk affair started as a Soviet plot in the very beginning of 1976, through a Soviet crony named Michael Hanushak, who used to be an editor of a Ukrainian communist newspaper published in New York under the name of the *Ukrainian Daily News*. The affair started by an attempt to implicate Demjanjuk for being a guard in the notorious death camp of Sobibor. Sobibor, it is worthwhile to mention, was a death camp, where between spring of 1942 and autumn of 1943, six hundred thousand Jews were slaughtered, in front of the Allies, who knew exactly what was happening, and didn't lift a finger to save even one Jewish child from the holocaust which took place in Sobibor. . . .

On the way of the Demjanjuk affair, from being a case of mistaken identity to a vicious show trial, became one of the worst cases of coverup in modern history, and this is due to the enormous, unprecedented misconduct of the Department of Justice, most specifically, the Office of Special Investigations [OSI], which is a body within the Justice Department. I will focus in my presentation on that part of the Demjanjuk affair only, because I think this is what is in the interest of this panel to find out.

The lawsuit against Demjanjuk, to revoke his American citizenship, was produced to the Cleveland federal court, in

September 1977. Although the sole proof against Demjanjuk was identification from this extremely suggestive photo spread, still there can be no doubt that the Justice Department did believe genuinely in September 1977 that Demjanjuk is that monster from Treblinka known as Ivan the Terrible by the unfortunate Jews who worked as slaves in that camp.

But less than a year after this indictment of Demjanjuk was presented to the federal court in Cleveland, the OSI received, through the American embassy in Moscow, material—to be precise, on Aug. 12, 1978—this material was a telegram, with a hundred pages of documents, which were requested by the OSI in connection with another case altogether to the case of John Demjanjuk, a case which the OSI conducted and lost in the matter of Fyodor Fedorenko.

However, that material didn't focus only on Fedorenko, but it gave broad evidence about the criminal activities of other guards in Treblinka, most of them, not all of them, of Ukrainian origin, which were Soviet soldiers that fell into German captivity, and volunteered to assist the SS in the process of exterminating the Jews in the death camps. That information that the OSI received, also contained information about the real identity of Ivan the Terrible. . . .

That is to say, on Aug. 12, 1978, not only the name is mentioned, but the OSI also is in the possession of the picture of the real Ivan the Terrible, a picture which has *no similarity whatsoever* to Demjanjuk. Demjanjuk is bottom left, and this is the picture, and everyone can see that there is no similarity whatsoever between the two faces. Besides the different name, of course, and many other features.

Now, if you expect the OSI to review its position about the case, which was filed in, as I said, September 1977, and not yet started the actual proceedings in court, if you would expect, as everyone else would expect, that they would review their position, due to the new material which they have in their possession, which, of course, proved beyond any doubt that Demjanjuk cannot be Ivan the Terrible, the OSI didn't do it. They also didn't terminate the case. They decided to continue with it, as if nothing had happened, and all this material were not in their possession, and they decided to continue with the case, to revoke Demjanjuk's American citizenship for being a man who they knew very well, at this stage, he was not: Ivan the Terrible. They knew very well that there is no way whatsoever that Demjanjuk could be Ivan the Terrible. Yet they decided to proceed with the case. . . .

From among the dozens of bureaucrats of the OSI, at this stage, one George Parker became alert to what was happening, and he wrote a five-page memorandum explaining why there is no case whatsoever against Demjanjuk, in any allegation or charges whatsoever. The Soviet-initiated ones, all those which exploded in Israel due to the mistaken-identity proceedings through the suggestive photo spreads. Now, not only did he write a memorandum and send it to the head of the OSI at the time, Alan Ryan, but he asked for an interview

with Alan Ryan, and tried to persuade him to drop the case, not to proceed with the case. We are talking now about October 1980. The proceedings against Demjanjuk in court had not yet started, the actual hearings of evidence. Parker was not listened to, and the proceedings started as if nothing had happened in February 1981.

When George Parker realized what was going to happen, he decided to quit the OSI. He felt that he could not take part in this frameup, on the one hand, and coverup on the other hand, and he quit the OSI. Now, he revealed all those

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*In this particular case, the Justice Department is much worse of a villain, than the KGB.*  
— Yoram Sheftel

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facts in an interview he gave to NBC television in November 1991, eleven years later, and in this interview, he showed that memorandum which he had written 11.5 years before. And also, he noted that as early as 1979, internal documents of the OSI related to Ivan Marchenko and Nikolai Shelayev as the two individuals who operated the gas chambers in Treblinka—Ivan Marchenko, known as Ivan the Terrible. He revealed all this, in this open interview to the NBC in November 1991.

However, my strong position is that George Parker is *not* better, and in some aspects is even worse, than the bureaucrats of the OSI, because he wanted to wash his hands of *physically* bringing about the execution of Demjanjuk for being what he's not, but he made it possible for this to happen. Because in February 1981, when the proceedings took place, *he kept his mouth shut*. He knew exactly, and he wrote a whole memorandum telling the reasons why Demjanjuk is not Ivan the Terrible, and his citizenship was revoked just because he is allegedly Ivan the Terrible. And he knew also where the evidence was that shows he's not Ivan the Terrible, where they're lying, where they exist, and he kept his mouth shut.

Now, on Feb. 28, 1986, Demjanjuk was extradited to the State of Israel, because the U.S. courts ruled that he was Ivan the Terrible. Parker knew he was not. Parker knew he was now facing the death penalty. He kept his mouth shut. On April 25, 1988 Demjanjuk was sentenced to death, for one reason only—for being Ivan the Terrible. And again, George Parker keeps his mouth shut. He only opened his mouth in November 1991, when everything had been revealed by the defense. We went in September 1990 to the Soviet Union and got the documents—80 of them—which prove unequivocally that Ivan Marchenko is Ivan the Terrible.

Parker only opened his mouth when Congressman James

Traficant revealed publicly the two telegrams I was referring to before. So, actually, when Parker went on television, he was scared for his own skin, and he wanted to jump on the carriage, and to say, "Look, I have also something to tell about that conspiracy." But where was he for 11 years? Knowing exactly that there's a conspiracy, and he wrote a whole memorandum about it, of five pages. So, being so alert and so aware of what's going on, and keeping your mouth shut in such dreadful circumstances, in my opinion, doesn't make George Parker the only righteous man in the sodomy of the OSI. No way. . . .

The worst atrocity — really, I mean, it's difficult, when I read this document to you in a second, you will not be able to believe it — but the worst comes when Demjanjuk was finally extradited to the State of Israel through proceedings of the OSI on Feb. 28, 1986. A few weeks later, his son-in-law Ed Nishnic filed a lawsuit based on FOIA, to get the entire file, the entire dossier about Demjanjuk, which was in the possession of the OSI. And we have a memo, written to Martin Sachs, who is one of the trial attorneys of the OSI, by no other than Bruce Einhorn, the lead attorney in the proceedings in the Cleveland case. And this is what he writes:

"This will confirm our discussion regarding your request for information concerning what the effect would be if we were to agree to the release of our Demjanjuk files pursuant to several pending FOIA requests. I am familiar with the facts of the Demjanjuk case, because I was the lead attorney on it. I'm also familiar with the fact that we are currently providing judicial assistance to the State of Israel in their investigation and prosecution of Demjanjuk who was extradited there this past February. I can state unequivocally that we should oppose release of our files for the following reason: concern over the integrity of the Israeli prosecution. Release of our material now would in all probability reveal, and could easily undermine and prejudice, the Israeli prosecution strategy."

What is this strategy? To execute Demjanjuk for being Ivan the Terrible, while he knows that he's not! And he doesn't want to undermine that strategy! To hang someone, while he knows that he is not that man that he's going to be hanged for! That's what he's saying — in black and white, in writing. . . .

Judge Thomas Wisemann held extensive hearings in the second half of 1992 and the first half of 1993, and came out with a devastating report, on June 29, 1993. Based on this devastating report of Judge Thomas Wisemann, on Nov. 17, 1993, the federal Court of Appeals for the Sixth Circuit decided as follows, after total disbelief in everything the OSI people told them during these proceedings. Now of course, I will not read to you the entire decision, but small, very important, relevant parts. . . .

"The OSI attorneys acted with reckless disregard for their duty to the court, and their discovery obligations in

failing to disclose at least three sets of documents in their possession, before the proceedings against Demjanjuk ever reached trial."

Because they were in their possession from '78, as we saw. And the trial proceedings started only in '81.

And then the court concludes:

"Thus we hold that the OSI attorneys acted with reckless disregard for the truth, and for the government obligation to take no steps that prevent an adversary from presenting his case fully and fairly. This was fraud on the court in the circumstances of this case."

And finally, as a result of all this:

"For the reasons set out herein, we vacate the judgment of the District Court, and the judgment of this court, in the extradition proceedings on the grounds that the judgments were wrongly procured, as the result of the prosecutorial misconduct that constituted fraud on the court."

Black and white. The most unequivocal terms possible.

Now, in this case, not only were we able to prove the coverup, the cold-blooded conspiracy, but we also were able to prove the motives and the reasons behind it, even this. And in order to get to this, I would like to refer you to the following [decision of the federal Court of Appeals]. . . :

"Mr. Parker wrote in his 1980 memorandum that the denaturalization case could not be dismissed because of factors largely political, and obviously considerable."

As simple as that.

"Other lawyers in the OSI wrote memos discussing this case as a political hot potato, that if lost, will raise political problems for us all, including the Attorney General."

Then, the decision continues:

"Mr. Ryan, director of the office, wrote to the Assistant Attorney General of the Criminal Division in 1980, that the OSI had secured the support in Congress, Jewish community organizations, the public at large, for the OSI. Press coverage has been substantially favorable and support from Jewish organizations is now secure. But he went on to say, that this support cannot be taken for granted, and must be reinforced at every opportunity."

And then it concludes:

"It is obvious from the record, that the Office of Special Investigations must try to please and maintain a very close relationship with the various interest groups, because their continued existence depended upon it."

So, we have the motive and the reasons. Now, indirectly, Alan Ryan himself confirmed it. He gave an interview to an Alabama newspaper, the *Huntsville Times*, on Oct. 30, 1991. And here's what he has to say:

"It was one of the first cases" — he is referring to the Demjanjuk case — "we tried, and we were very much on the line. If we had lost that case, we probably would have had a very short lifespan."

In other words, in order to prolong the lifespan of the OSI, they chose to shorten the lifespan of Demjanjuk.



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## IV. The OSI vs. former Austrian President Kurt Waldheim

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### From the testimony of Dr. Hans Koechler

**Dr. Koechler:** Let us recall the situation in the year 1986. Dr. Waldheim was back, since 1982, in Austria. He left the office of secretary general of the United Nations in '82. He was named presidential candidate by the Austrian People's Party in '85 for the elections in '86.

We think that, for political reasons, he became a target because, as secretary general of the United Nations, he was involved in the implementation of United Nations policies concerning the question of Palestine, and he served as secretary general at a crucial time of big confrontations between the Arab world and the advocates of Palestinian rights, on the one side; and the State of Israel, and of course, the pro-Israeli lobby and the American administration, on the other side.

The other aspect, which we see, was that the late Austrian Chancellor Bruno Kreisky, himself of Jewish origin, had led a process, a political process (he was the vanguard of that process), which finally led to the recognition of the PLO, and of Palestinian rights, now by all western States; and what we see now — the peace negotiations, and so on — were initiated by him. But at that time, of course, he was antagonized by Israel and the pro-Israeli lobby here in the United States, and Austria's policies were considered detrimental to the interests of that lobby.

It was a kind of political campaign in order to isolate and discredit Austria, and in order to force Austria to abandon this political orientation, which was established by the late Bruno Kreisky. . . .

There *were* secret contacts, and the people still have not been identified in public. We are guessing; there are books about it and so on. And personally, I am sure who they are, but it is not publicly established, but there were secret contacts between certain functionaries of this other party, the Social Democratic Party, and people of the pro-Israeli establishment here in the United States, and that's how they thought, how the campaign against Mr. Waldheim was triggered, how it was finally brought to an international scale, and how certain functionaries, political functionaries in Austria thought they could destroy Mr. Waldheim's candidacy with the help of this certain establishment here, namely, of course, the World Jewish Congress headed by Mr. [Edgar] Bronfman, that played a big role in the media campaign against Mr. Waldheim, and then the legal structure here, as represented by the Office of Special Investigations. . . .

At the height of the campaign, sometime in '86, suddenly the German news magazine *Der Spiegel* came out with a big headline: Now, they had found the missing link, so that finally, one could prove that Mr. Waldheim had commit-

ted war-crimes. They published a text of a cable that supposedly had been signed by him, sent by him, to a certain German Army unit in Yugoslavia, in regard to deportation of people.

One or two weeks later, *Der Spiegel* had to retract the whole story, because what had been documented is that certain people in the former Yugoslavia, intelligence people, close to the Serbian establishment, had deliberately falsified that cable, during the electoral campaign in '86.

We got so many statements, from the American media, statements from Mr. Bronfman, and other leading figures in this country, telling us, telling the Austrian people: If you elect this man, if you elect this "criminal," then your economy will suffer, there will be no tourists from the United States, you will be boycotted, and so on.

As far as the decision of the Office of Special Investigations is concerned, to place the name of Kurt Waldheim on the so-called Watch List, the procedures were carried out secretly. In spite of Mr. Waldheim's repeated efforts, and in spite of the Austrian government's repeated efforts, *never* did the Department of Justice disclose the nature of the allegations. *Never* did they show him, or the Austrian government, or the Austrian embassy here, *any* documents. Mr. Waldheim also dispatched his son, Gerhard Waldheim, to the United States, to offer all the information that might be needed for the evaluation of the facts, for the evaluation of documents by the Office of Special Investigations. . . .

**J.L. Chestnut:** Are you saying to us that one government, the United States', declared the President, the head of State, of another government, to be a war-criminal, and the second government, through official sources, asked the United States government for clarification, and the basis on which it reached that conclusion, and the United States government, refused to provide that information?

**Dr. Koechler:** Yes, yes, that was the case.

**J.L. Chestnut:** That's what you're saying?

**Dr. Koechler:** For seven years, Austria has been denied this information, and in 1994, the Ministry of Justice, on its own, published this report here. I mean, it made it public, seven years after.

**Dr. Kofi Awoonor:** I am particularly very, very grateful for your presentation, because it throws a lot of light on things that were not very clear to some of us within the framework of the United Nations. . . . There was a retreat from [the] Camp David [accords] after Jimmy Carter left office, and therefore, the groundswell of pro-Palestinian sentiment had to be diminished, or had to be destroyed; and Waldheim, of course, was one of the key people, who helped, along with Bruno Kreisky, the development of this dialogue between the Jewish community and Palestine.

**Dr. Koechler:** Yes.

**Dr. Awoonor:** I think this is the price that both of them had to pay for it.

**Dr. Koechler:** Yes.

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## V. Concluding remarks

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### From the testimony of Lyndon H. LaRouche, Jr.

**Lyndon LaRouche, Jr.:** We have, in my view, a system of injustice whose center is within the Department of Justice, especially the Criminal Division of the U.S. Department of Justice. The problem lies not with one administration or another, though one administration or another may act more positively or more negatively. You have *permanent* civil service employees, like Deputy Assistant Attorney General Jack Keeney and Mark Richard, who are coordinators of a nest of institutions in the Criminal Division, which show up repeatedly as leading or key associates of every legal atrocity which I've seen.

This is the case with the so-called *Frühmenschen* operation, which is largely an FBI operation, but cannot run without cooperation from these people, and their assistance. The Demjanjuk case is outstanding, of a man who, according to the Sixth Circuit — a man whom the Justice Department *knew to be innocent of the charges they were making against him at the time they made the charges*; and yet, Mark Richard and Jack Keeney and so forth, proceeded with that case. An attempt to secure the execution of this man in Israel, over the objections of the Israeli government, for an OSI operation which was set into place by Henry Kissinger some years before. You have the Weaver case: the same thing. The much-celebrated Waco case: the same complex of injustice.

We have an out-of-control Justice Department, in my view, where the rot is not in the appointees, as much as it is in the permanent bureaucracy. We have a permanent sickness, in the permanent bureaucracy of part of our government.

In my case, when the time came that somebody wanted *me* out of the way, they were able to rely upon that permanent injustice in the permanent bureaucracy of government, to do the job. As in the *Frühmenschen* case, the Weaver case, the Waco case, the case of Waldheim, the case of Demjanjuk, and other cases. Always there's that agency inside the Justice Department, which works for a contract, like a hitman, when somebody with the right credentials and passwords walks in, and says, "we want to get this group of people," or "we want to get this person."

My case may be, as Ramsey Clark described it, the most extensive and the highest level of these cases, in terms of the duration and scope of the operation. It came to involve the Soviet government, it came to involve the East German Stasi intelligence service, it involves collaboration between the Department of Justice and the Stasi in the case of [Olof] Palme's murder. It involved direct collaboration with, as I say, the Soviet government.

The Soviet press — particularly from about, off and on, the Andropov period, beginning 1984, and then when Gorba-

chov came in again, '85-'86, into '88 — the Soviet press vilification of me, in collaboration with the same line as the U.S. press, exceeded that of anything since Stalin's time, in the Soviet press, against any private individual in history. And it was part of the same operation.

So my case is important, in the sense that it's more extensive, it's more deep-going, long-going. But when it came to getting me, it was the same apparatus, that, I find, in my opinion, was used in these other cases. And until we remove, from our system of government, the rotten, permanent bureaucracy which acts like contract assassins, using the authority of the justice system to perpetrate assassination, this country is not free, nor anyone in it.

My general impression, from being in prison and meeting these fellows — and I know these fellows, you know. You get in prison and you get my experience, you *know* the people you're with. Well, they're *all* perpetrators, most of them. A few cases are really innocent, framed up. But most of them were drug cases or something else, and you knew they were in the group of people they're accused of being in.

But when I saw the paperwork, I was astonished. I saw totally counterproductive sentences. I saw a shameful proceeding. Our federal court system, our federal criminal justice system is out of control. And it appears to me, that this nest around Mark Richard and Jack Keeney and others, in the permanent bureaucracy of the Justice Department, if they're not the heart of the problem, they're close enough to it, that if you pull out that cancer, you may find out where the next one is.

That's my view of the matter. Thank you.

**J.L. Chestnut:** You and I had a little chat in Selma, Alabama, and I had raised to you the issue of Affirmative Action. And I think your phrase was, that it was a red herring. And I didn't get a chance to say to you, that it *is* a red herring, but whole states are *buying* it. And, for a little black fellow sitting off, 20% of the population. This government has not been in touch with me since Lyndon Johnson said he wouldn't run again. And I had a lot of reservations about him. But sitting back, as a little black fellow, I see entire states marching, in lock-step, and accepting this red herring as gospel. I guess you can understand, that even somebody like me, sometimes, feels *overwhelmed*, and wonders whether or not America is just a lost cause. I hate to sound that way, but after 40 years, I've got serious reservations about whether we can save this country, about whether this country even *wants* to be saved.

**Lyndon LaRouche:** Well, I take an evangelical view of this. I've been associated with many lost causes in my life, as you have. And, once in a while, we win them.

The point is, we're coming to a time: Look at what's happened in France, as an example. We had a Gingrich-type who just got fired, he got "resigned" — that is, his prime minister told him he'd accept his resignation, pronto; by the name of [Alain] Madelin. Madelin is the translator into

French of the works of Friedrich von Hayek, a British agent of Austrian origin, who was the founder of the Mont Pelerin Society. And if you want to know everything that's right wing and extremely right wing in economics in the United States, you can generally trace it to the Mont Pelerin Society.

But Madelin was fired, and the prime minister of France, [Alain] Juppé, made a public statement, explaining the resignation, or the induced resignation, or forced resignation, of Madelin. He said this country, France, has a commitment to ensure that there are enough jobs for the people of France; and Madelin was on the other program, and he had to go.

Now, we had an experience in this country with Franklin Roosevelt—it shouldn't be exaggerated, but nonetheless, we had an experience, which is very important for us. It is the function of the federal government, in particular, through its public works program, its infrastructure responsibility under our Constitution, implicitly, and through the ability to generate credit, as we did with space programs, as we did with wartime, the buildup for war, to use the public credit to create enough jobs, to get the job done.

I saw Alabama, that's what the problem is there. Not enough jobs.

And the federal government of this country, under an economic crisis, can do what Roosevelt did and better, because we can learn from the experience. Our job is not Affirmative Action, to share out the shrinking number of jobs available. Our job is to create the jobs, and to create, at the same time, the matching educational facilities, and the support programs, which turn the unemployed, who are not taxpayers, because they don't have any income to be part of the tax revenue base, to become contributing members of society, and a part of the tax revenue base. And there's nothing that stops us, except crazy ideology, from following our Constitution and its original intent, in doing just that. As Lincoln did. We can do it again.

There's no need for somebody begging out in the street, to get somebody else's job. There's a lot of work to be done. You just look at the Tombigbee [water] project, and what *should have been done* to complete that. That'll keep people busy for a long time.

You take the American water system. Our aquifers are turning into sewers, when they're not going dry, because we're not building a water project, which we need. We don't have enough power.

When we came out of World War II, there were 60% of us in the labor force who were producing material goods. Today, less than 20%. We have coupon clippers, we have unemployed, we have people in prison; but only 20% are producing.

Our standard of living in the United States today, in physical terms—if you include health care, education, science and technology, plus the things you physically consume—we're *half* of what we were, 25 years ago. We're about that in productivity. This nation is going down the

sewer, the world's going down the sewer.

We have the means, and government has the means, to turn it around, when enough people in this country stand up on their hind legs, and stop voting for what they don't want, or for a result they don't want.

And I think that the problem with people, as I see it, is people don't trust the leadership. I don't blame them for not trusting their leadership; I blame them for being too pessimistic. It's up to us and others, to get enough people moving, to create a movement.

Like the case of Martin of Luther King. Now, I never personally met Martin Luther King; but I watched him closely. And I know something about Martin Luther King, from people who knew him, and his circumstances. And here was a man, he was a good man, he was a preacher, a Baptist preacher—I don't know, they run to this way and that way.

One day, somebody appointed him, nominated him, to be a leader of the civil rights movement; out of a crowd, so to speak. He took the job, as an appointee. Like a federal appointee, only this was a civil rights movement. He went from crisis to crisis in a few years, from the time that he received that appointment, until he went to his death, knowing he was facing death.

And in that period of time, he made a number of public speeches of great power and pith. Each of those speeches, corresponded to a point of crisis in the history of the civil rights movement. And I saw, on television, and I read in the recorded speeches, I read a man who had gone into private, into his own Gethsemane, probably inspired by reading the New Testament, and said, "I will drink of this cup." And he came out with an *idea*, with a lot of people swarming around him. But he came out with the idea, and he presented a concept, which took a whole people who were looking to him and the civil rights movement; and he *ennobled* them.

He said, "You're not fighting for African-American rights. You're fighting for *everybody's* rights. You're fighting to make the Constitution real." And it was a new idea, a different idea. And, as he did with his "mountaintop" speech that he gave just before he went; again, a man who had walked into Gethsemane and said, "Yes, Lord, I will drink of this cup, as my Savior before me." And he went out, and he drank of the cup; and he inspired people.

Now, we don't know who among us is going to be the great leader of this period. But we know, as the civil rights people of the 1960s who had been at the civil rights business for many centuries, in point of fact, many of them with a conscious family tradition. They assembled together. They picked people from their midst as leaders; and among these leaders, was a Martin Luther King.

And I think, if enough of us assemble today around these kinds of issues, and show the nation that *there is something moving*, something which is of concern to the average citizen, that from among those we gather together for that purpose, we will find the leaders we need.