

# Wall St. Underground spreads new poison

by Charles Tuttle and Jeffrey Steinberg

Over the past few weeks, hundreds of thousands of American homes have received copies of a vicious propaganda sheet from the *Wall Street Underground*, published by Nick Guarino. Under bright red, banner headlines, "Bill Clinton Will Be . . . Tried for Treason within Nine Months," Guarino regurgitates, in wildly exaggerated terms, the China-gate, Lippo-gate garbage that has flooded the "Get Clinton" "media food chain" for the past few months. On the few occasions in the 12-page diatribe where Guarino cites "sources" to back up his "first-hand" knowledge, they are all British: either the London *Times* (Lord William Rees-Mogg's more "respectable" current address) or Reuters. Guarino mixes these wild slanders against the President with his own pitch for his latest con-job, a "free" (with a \$99 subscription order) pamphlet called "How to Survive and Profit from the Clinton Crash."

Financial market genius that he is, Guarino pins the entire global financial debacle, which has been brewing for decades, on Bill Clinton alone.

Guarino claims that the impeachment, indictment, and jailing of Clinton will be the trigger for a 50% crash on Wall Street, and that Federal Reserve Board Chairman Alan Greenspan's recent pronouncements about the stock market bubble were all linked to the looming jailing of the President. Guarino then writes:

"In 1987, I saw the handwriting on the wall. Stocks were completely overvalued. Inflation had begun to reappear. Government spending was out of control. It was clear that the market was sure to collapse soon—and I told everyone who would listen. And I did more than that. I recognized a rare opportunity to make a fortune. In early October, I moved my clients into investments that would earn them \$25,000 with every 100-point drop in the Dow. *The day millions of investors took a pounding, my associates and I walked home \$14 million richer.* Everyone who followed my advice made about 5,000% profits when the market crashed. They multiplied their money by 50 times. In one day."

## A different picture emerges

But, Federal court records seem to tell a different story, as the newspaper *New Federalist* reported last autumn. It

seems that in 1989, Guarino was indicted by a federal grand jury in Fayetteville, Arkansas on 10 counts of mail fraud and 15 counts of wire fraud, stemming from his so-called sure-fire investment advice. Guarino reached a two-count plea agreement with federal prosecutors, which would have sent him to jail for two years, and forced him to repay \$1.25 million to customers he had ripped off.

However, instead of serving his time in jail, Guarino fled to Honduras, a country with no extradition treaty with the United States. In his various "investment newsletters," he had boasted of being involved in George Bush and Oliver North's Contra gun-for-drug operations, but this may be as bogus as his claims of "knowing" Governor Clinton, during the several-year period in the 1980s, when he ran a precious metals firm out of Harrison, Arkansas.

Nevertheless, Honduras was one of the focal points of the Contra gun-for-drug program of the 1980s, and it may be that Guarino, indeed, was somehow affiliated with that criminal enterprise.

In December 1991, Guarino was captured by the FBI on a yacht off the coast of Honduras. According to the federal prosecutor who brought the wire and mail fraud case against Guarino, at that point, he was brought back to the United States and he served his jail sentence; however, he has yet to pay the \$1.25 million, and he is once again living somewhere offshore.

## A high-cost operation

How things shook out between Guarino and the FBI, is still unclear. But, what is clear, is that Guarino's *Wall Street Underground* is the most far-out of the Clinton-bashing rags; and, he spends millions of dollars on his propaganda mailings that certainly don't come from his subscriber base. His latest 12-page bash was sent out by first class mail. According to industry sources, the minimum cost for a 200,000-person mailing of his latest rubbish is \$82,000.

In the run-up to the 1996 Presidential elections, Guarino sent out millions of copies of a vicious smear against President Clinton, called "Murder in the First Degree," which accused the President of ordering the killing of Commerce Secretary Ron Brown, and 55 other people. In Guarino's fantasy world, even Contra dope pilot Barry Seal was murdered, by the Colombian cocaine cartels on orders from then-Governor Clinton. Documents published by Iran-Contra special prosecutor Lawrence Walsh told a different story. They identified Seal as an operative for George Bush and Oliver North.

The "Murder" report was printed to appear to be a government document, and bore the description, "Top Secret Government Classified Information Leaked May 14, 1996 by Military Informant Eye Three." That 37-page piece of slander was an even more costly propaganda assault against the Presidency, one that was certainly not bankrolled by Guarino's 5,000% "profits" from his investment activities.