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## part VI: Rockefeller - CIA Cabal's Watergate - Impeachment Conspiracy



# New Solidarity International Press Service

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# political economy

## Is This The Kreditanstalt?

July 3 (IPS) — The intelligence staff of the International Caucus of Labor Committees is monitoring the world's financial markets hour-by-hour, as the current wave of panic in banking circles threatens to become an uncontrollable stampede.

Among financiers, the watchword is **Kreditanstalt** — the name of the big Vienna bank which went under in 1931, pulling the rest of European finance down with it. Indications are that the failure of Bankhaus I.D. Herstatt last week in West Germany, an outfit much smaller than the legendary Kreditanstalt, could have the same trigger effect on today's world economy.

At the end of business hours today, this was the world situation:

- West Germany has been the first sector to give way to panic, as the central Bundesbank loosened credit controls for the first time in a year to prevent the Herstatt collapse from reproducing itself throughout the country.

- In the United States, the Rockefeller stranglehold on regional banks has tightened, with a new ruling from Treasury Secretary William Simon that will withdraw government checking accounts from banks' coffers.

- The run on the second string of the Eurodollar market has intensified, with interest rates pushed to record levels and smaller banks drained of cash.

- Duplicating actions by the Federal Reserve and the Bank of England last week, the Bank of Japan tightened its control over the Eurodollar activities of Japanese banks.

### Leverage in Reverse

Ten or eleven top international banks lost between \$10 and \$12 million apiece in foreign exchange transactions with Herstatt last week, when the closure of the bank by the West German authorities interrupted payments across the counter.

But the terror that overshadows these small out-of-pocket losses is that Herstatt is only the tip of the iceberg. At least a dozen large banks are rumored to be on the verge of collapse. These include Fidelity Bank of Philadelphia, First National Miami, Franklin National Bank, and a half-dozen lesser banks in the United States; Italy's two largest banks, Banca Nazionale de Lavoro and Banca di Roma, and others, according to a report Tuesday in the Italian financial newspaper *Il Globo*; and the entire secondary banking group in Great Britain, bailed out under orders from the Bank of England last winter.

If banks of this size fall — their assets number in the

scores of billions — the close-knit web of international finance will be ripped apart. The international dollar market contains upwards of \$155 billion worth of seven to thirty-day credit, traded continuously between banks, according to the authoritative Bank for International Settlements. Herstatt's puny interruption of this flow resulted in \$100 million worth of losses for its trading partners. The same action by the Banca Nazionale de Lavoro, at \$22.7 billion — forty times as large as Herstatt — would shatter the Rockefeller empire, along with everyone else.

Panicking, the financial world — from Swiss bankers to Arab oil sheiks — is pulling funds out of banks of middling size, and lining up before the deposit windows of the 20 or so top financial institutions. French press reports indicate that 80 per cent of short-term Eurodollars are flooding this route. In the resulting squeeze, banks offered a record 13½ per cent interest on short-term deposits.

### Rockefeller's Plan to Corral World Credit

During the last days and weeks, *New Solidarity* and IPS have exposed the Rockefeller plot to consolidate the mass of international short-term credit in Rockefeller banks, in the U.S. Treasury, and in the International Monetary Fund. This credit would then be used to finance Rockefeller's world Auschwitz "development plan" — the Rocky Mountain workcamps, the Rio de la Plata slave labor project in Latin America, and the "redeployment of labor" in Europe.

Already, the smaller international banks have been driven to the wall. According to reliable sources, the lesser banks are forced to pay about one-half per cent more on their deposits — eliminating the total profit on most of their transactions.

### Gutting the World Economy

In fact, what the international money markets have been experiencing in the last two weeks is a sweeping extraction of colossal amounts of funds from the entire secondary banking sector across Western Europe, the U.S., and Japan ... into a tiny handful of "safe" superbanks. This abrupt, massive maneuver has as its immediate result the near-destruction of entire industrial sectors which depend for their financing on this threatened layer of middle-sized private and semi-private banking institutions.

Right now, the entire construction industry of West Germany is experiencing a phenomenal rate of bankruptcies as a result of the credit squeeze: Over one

thousand construction companies are expected to go under by the end of the year. Similarly, the Italian construction industry is facing a wave of bankruptcies expected to create an additional million unemployed by late fall.

Agricultural operations, especially in Italy and France, are threatened with interruption as a result of the squeeze. The same holds true for the textile and machine tool industries as well as for less crucial sectors. As the case of the financial failure of the French Citroen auto company should indicate, not even the automobile sector is safe at this point. In short, this massive financial maneuver pulling the rug out from under the feet of the mickeys of the banking world is also ripping the gut out of the national sectors of the European economy, destroying millions of jobs, eliminating housing construction, tearing apart food production and distribution, reducing to shambles the clothing industry. Rockefeller's criminal manipulation of the world money markets is already inflicting massive misery on the international working class and its allies.

#### **In the U.S.**

Stateside, the Rockefeller-dominated New York money market — in collusion with the Department of the Treasury under Rockefeller agent William Simon — has declared war on the cash-strapped regional banks throughout the agricultural and industrial belts of the United States. Simon announced July 2 that his department will no longer deposit the collected tax moneys in commercial banks' checking accounts. The elimination of this source of deposits, according to Labor Committee Intelligence analysis, will immediately hurt banks in Philadelphia, St. Louis, Minneapolis, Richmond, and other regional money centers, but will hardly be felt in New York, where the Rockefeller financial power is concentrated.

Meanwhile, according to the admission of a spokesman for Rocky's First National City Bank, supply of credit from New York to the secondary banking institutions in the country's regional center has nearly broken down, leaving financing of industry and agriculture in a desperate situation. Typical of the national picture is the situation in the Midwest where the First National Bank of Chicago, a link in the Rockefeller interests, lends money to its clients at a prime rate of 13 per cent — even though its official prime rate is 11.8 per cent! As a result, dependent banks like Toy National and Security National in Sioux City, Omaha National, Central National, and Harris Trust and Savings are reportedly in trouble.

The surrounding farmer population, dependent on bank credit since dealers pulled out of the business earlier in the year, is in desperate straits. There is already a serious suspension of agricultural operations,

as farmers can no longer afford either sky-high prices for supplies or creditors' bloodthirsty interest rates. In addition to suspension of operations, slaughter of cattle, etc., we are also gridding an accelerating trend of farmers mortgaging their property to merely survive — 1920s style.

#### **Playing With Fire**

The insanity of the unfolding dramatic developments is capped by David Rockefeller and his international accomplices' wild expectation that they may control ratchet-fashion the collapse they themselves have engineered. Knowing that he doesn't yet have the necessary political muscle — a mass-based fascist party — to straitjacket the massive international upheavals a full scale depression would trigger off, Rockefeller is now shooting for the next best thing: A controlled on-again/off-again succession of bankruptcy waves targeted to pick off a few victims at a time, bring them to their knees, force on them the slave-labor Brazil-style policies he will dictate, and after their complete capitulation let his funds trickle back in under supervision of his own men and institutions — as he is trying to do now in Italy.

The current developments throughout Europe clearly betray this premeditated attempt at ratchet-fashion depression. From both published and private sources, IPS estimates that the Rockefeller faction expects the next ten days immediately ahead to show whether the current wave of collapses will be controlled or not. In the meantime, standby operations to control the flood have been announced both in West Germany and Belgium (but scarcely in the U.S. as of this writing).

#### **German Panic**

Today, the Bundesbank reopened its "Lombard" lending window to banks for the first time since July 1, 1973, thus adding a \$9.5 billion standby credit facility to the German money market. The "Lombard" credit system, like the discount facility of the U.S. Federal reserves, enables banks to pledge their assets against new cash from the central bank.

In addition, the \$20 billion Westdeutsche Landesbank Girozentrale, a partner in David Rockefeller's key international banking venture, protested Monday against the Bundesbank's decision to let Herstatt go by the boards. In normal times, a statement of support for a bank that had gambled away a quarter of its balance sheet could not pass the lips of Herr Ludwig Poullain, Westdeutsche Landesbank's conservative chairman.

But Poullain presides over a "central bank for savings banks" in the North Rhein-Westphalia region of Germany — and savings banks are desperate. Commented a spokesman for the Dresdener Bank, the nation's second largest commercial bank, "After Herstatt, maybe people don't want to put their money into savings banks anymore."

Bankers Poullain and Klasen, loyal Rockefeller associates, are undertaking standby operations because Rockefeller's terror is that the German economy, starved for credit and dependent on exports to countries which can no longer buy them, could find the "economic miracle" giving way beneath it. Already 65,000 auto

workers have been slated for layoffs, and the rate of bankruptcies in Germany's key machine tool sector has jumped by one-half over last year's.

A chain-reaction collapse in West Germany would cut down masses of credit internationally, sparing not even Rockefeller.

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### Nelson Rockefeller Visits the Indians

EVERETT, WASHINGTON, June 30 (IPS) — Nelson Rockefeller's grin flashed June 19 on the Tulalip Indian Reservation here. At a press conference held jointly with Washington Governor Dan Evans and Ludlow Kramer, Rockefeller was met by IPS reporters who deviated from the meekness of the rest of the press. Rocky even called off the barking of his newshounds: "No, let her speak. This is the straight Marxist line."

However, Rockefeller was sufficiently shaken to contradict himself within the space of a few minutes: in response to an IPS presentation on Italy's desperate straits and the immediate necessity of a moratorium on her debts, Rockefeller corrected the debt figures ("Only \$10 billion, not \$15 billion") and then declared, "I'm not really much concerned with Italy. I'm sure they'll work

out some kind of solution." Then, when asked by others how he spent his time these days, said, "I'm basically working on the Commission for Critical Choices. I'm concerned about the critical situations in the world."

Ludlow Kramer has already publicly served the Rockefellers by administering the People in Need program in San Francisco, a spin-off of the CIA's Symbionese Liberation adventure, which functioned as an exercise in Army food control. Governor Evans' Alternatives for Washington, publicized as a radical grass-roots program, is merely Critical Choices scaled to state-size proportions of Zero Growth austerity; Rockefeller confirmed this by saying "They (his Commission and Evans' Alternatives) are exactly the same thing."

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# state of labor

## Labor Committee Ruins Woodcock's IMF Game Plan

STOCKHOLM, July 8 (IPS) — In a fight spearheaded by the Italian delegation at the International Metalworkers Federation conference this weekend, the European metalworkers revolted against the control of Rockefeller's inside man in the labor movement, UAW president Leonard Woodcock. Thirty-nine countries — including every European section of the International Metalworkers Federation (IMF) except the West German I. G. Metall — followed the Italians' lead and voted against Woodcock's candidate for General Secretary, Herman Rehban. The international working class won a major victory against the social fascists within its ranks.

Drawing on the expose which the Labor Committees have circulated extensively through both the North American and Western European working class, the Italian delegation led a vigorous assault against the "superficial" fight against the multinationals proposed by the UAW. Exemplary is the speech of the Italian metalworkers leader Martino, who countered the Woodcock proposals for a Nazi labor front which would march workers peacefully into co-participation with the multinationals, and from there to the slave labor camps, with the following passionate plea:

*"In this strategy, we must be conscious that if we are to fight against any economic superpowers, fascism and imperialism, it is impossible to keep waving the old flag of cold war. We need to build strong walls against the Right of any kind and open as far as we can the border of class solidarity to the Left. It is necessary to get out of blind political views and open ourselves to the confrontation and common struggle with all sectors of the working class movement.*

While they were unable to break the coalition of I. G. Metall, the Japanese metalworkers and the UAW which elected Rehban, the Italian section (the FLM) has joined with the Labor Committees to break Rockefeller's controlled environment. The fact that the metalworkers, the heart of the world's trade union movement, are now actually considering a serious international fight against the multinationals, seriously cripples Rockefeller's plans for a self-destructing labor movement. The FLM itself, according to spokesman Benvenuto, is actively considering leaving the IMF.

### Rehban's Sour Victory

While Rehban, the UAW's Secretary for International

Affairs, captured the General Secretary post, and the more or less honorary presidency went uncontested to Eugene Loderer of I.G. Metall, the UAW's victory was thoroughly soured. After campaigning hard for months to sew up his votes, Rehban and his master Woodcock were forced to face open exposure of their complicity with Rockefeller's fascist plans.

There was not a delegate at the 360-person conference who was not aware of how Woodcock has gutted the UAW, pushing U.S. autoworkers into deadly speedup, methadone programs, and suicidal "Apache" strikes. Those who have not been reached by the Labor Committees' propaganda in their home country learned about CIA man Woodcock from a Labor Committee booklet which detailed Woodcock's fascist policies — starting with his support for the resettlement, compulsory brainwashing, and forced relocation of the Mondale post-Watergate legislation in the United States.

The delegates were able to compare Woodcock's phony rhetoric against the oil companies and other multinationals with the programmatic united front attack on Rockefeller centered on instigating and defending an Italian debt moratorium. Woodcock's proposal that investment in the Soviet bloc be eliminated because of its supposed threat to American and Western European jobs was directly countered by the Labor Committees' proposals for expanded trade and political cooperation with the Soviet bloc as the only possible solution to the economic crisis in the West. As a result, the conference heard implicit criticisms of Woodcock's proposals from Italian leaders like Benvenuto and Martino. On the second day of the conference, even the German delegation, which ultimately swung with Woodcock, gave the UAW President's labor front proposals a very cool and noncommittal reception. Woodcock's most embarrassing moment, however, came when he and other IMF "dignitaries" took the scheduled tour to the Saab Scania factory, a model plant for Tavistock co-participation schemes. Tipped off about the tour by some worker contacts in the factory, the Labor Committees had leafletted the Saab workers with a leaflet entitled "Saab-Scania: Laboratory for the Depression." After the leaflet had exposed how Woodcock's endorsement of the "Swedish Way" was preparing them and workers throughout the world for the same treatment the German working class received

under Nazism, Woodcock et al. proceeded with their tour — through an empty factory! He did not dare risk being called a fascist to his face.

### **The Italian Fight**

Throughout the convention it was the Italian delegation which took the offensive for a working class policy. Speaking most strongly for them was Martino, an FLM representative from UIL (the liberal trade union federation). Martino's speech explicitly attacked the glib way in which Woodcock, Rehban and their supporters were playing with the life-and-death issue of the multinational corporations.

In his own motivation of the necessary strategy, Martino detailed how the multinationals rule conditions of economic, political and civilian development in Third World countries — detailing the Chilean coup. "Was it only ITT that plotted the coup of the fascist right?" he asked. He then described how the multinationals control the world's resources — pointing directly at the Seven Sisters.

Most notably, Martino pointed out how "they plot to break the unity and power of political and workers'

organizations and of the trade unions." This understanding directly challenged the strategy put forward by the Woodcock camp — which is essentially the strategy of co-participation and "bargaining" with the multinational corporations, ignoring their union-busting aims and respecting their prerogative to drive production and employment down to the bare bones of a world fascist economy.

The Italian delegation, although split over its willingness to work explicitly with the European Labor Committees, took the gravity of the international class struggle to the entire conference. Their failure to resoundingly defeat Rehban, who was opposed by a Holland delegate named Benedict, came from the strict control exercised by the leadership of the largest delegations — since the vote count was determined on the basis of the unions' membership size. Thirty-nine delegations voted for Benedict while only 30 voted for Rehban. The Italians' failure to press openly and hard for the Italian moratorium and the international united front around industrialization and fusion power reflects their continued submersion to trade union militants — a suicidal pit from which the Labor Committees are determined to raise the angry and increasingly class conscious world working class.

# north america

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## Canadian NDP Member of Parliament Implicated in Formation of Continental Gestapo

TOTONTO, July 5 (IPS) — A recent “leak” by the top Canadian daily, the *Toronto Globe and Mail*, has blown the cover off the career of a major figure in the CIA’s plot to merge U.S. and Canadian police forces into a continentwide Gestapo. June 20 the *Globe and Mail* ran a front-page story reporting the highly unorthodox trip of New Democratic Party (NDP) provincial MP Morton Shulman to Detroit, where he met with top Michigan police officials. The ostensible purpose of his trip was to “investigate the Mafia.” Accompanied by two Ontario police intelligence men, Shulman reportedly met with police intelligence units in Detroit and Lansing. He also met with the Lieutenant-Governor of Michigan, was introduced to the State Legislature, and was given a guided tour of the Detroit ghetto.

### Why He Went

The article further reported that “minor official” Shulman’s three-day trip was arranged by Ontario Solicitor-General George Kerr, well known as the hard-liner responsible for the recent seal-and-search drug raids that have been used to terrorize the population of Ontario. According to Kerr, Shulman’s trip was “part of Dr. Shulman’s education to see the extent of police intelligence insofar as **certain types of criminal activities are concerned**” (emphasis added).

Shulman’s real purpose for conferring with Michigan intelligence officers was to be briefed on the CIA’s most recent plans for Canadian/Great Lakes low-intensity operations. The stepped-up border harassment of North American Labor Party (NALP) organizers by both U.S. and Canadian border guards points to this. IPS is investigating the relationship between the breaking of the *Globe and Mail* story and the illegal raid on the Detroit Labor Committee office which occurred the same day. In that incident, 13 agents of the CIA, FBI, and Detroit police illegally entered the Labor Committee office, ostensibly searching for self-confessed FBI infiltrator Vernon Higgins; while there, the agents stole the names and addresses of key NALP Canadian contacts.

Indications are that, while in Michigan, Shulman met with the agent responsible for setting up the Uruguayan secret police. In a mid-June column in the *Toronto Sun*, Shulman compares Canada today to Uruguay 15 years ago, when “young ideologues” (the Tupamaros) sprang up as the political and economic situation collapsed. The Tupamaros, notes Shulman, went around kidnapping CIA agents. Shulman warns that today’s Canada is in

the same predicament and must beware of the same type of terrorist kidnappings by similar groups. Shulman’s double role is to terrorize the Canadian population and to force a stormtrooper police force to “protect” Canadians from CIA-created terrorists.

Evidence exists to suggest that Shulman also visited Michigan to get tips on how to reorganize the provincial police along the lines of the Law Enforcement Assistance Administration’s takeover of the Detroit police department.

### Shulman’s History

Shulman started his career by making it among the big boys of the financial world by speculating on commodity markets — an achievement immortalized in his book, *How to Make Millions*. From that stepping stone he became Chief Coroner for Toronto, from which position he initiated a medical scare campaign by claiming that several deaths had resulted from careless surgeons’ failure to remove clips from their patients before sewing them up. Now, as a psychiatrist, Shulman runs his own “community mental health clinic”!

After moving to Rockefeller’s NDP in the mid-60s, Shulman began a parliamentary career built on attacking the abuses of small capitalists. By the early 70s he had hit his stride, developing a “specialty” — Mafia investigations. Shulman’s shrill cries on this issue resulted last year in a hearing on alleged Mafia control of construction unions, which caused the demise of at least one Canadian construction union. This year Shulman further ensured his standing as populist demagogue cum CIA agent by appearing on a Boston radio program March 26 predicting depression collapse and military takeover in Canada and suggesting ways to profit from the disintegration of the economy.

### IPS Interviews *Globe and Mail*

An IPS interview with *Globe and Mail* editor Mosher revealed further nuances of Shulman’s mysterious Michigan tour:

IPS: “Isn’t this business about a ‘Mafia investigation’ strictly a cover?”

Mosher: “Yes, well ... We have a lot more information than we printed about the trip ... We know a thing or two ....”

IPS: “Is Shulman a CIA agent?”

Mosher: [Long pause] “... We don’t think that ....”



## Labor Party Indicts NATO Psychologists As Nazi Doctors at Secret Conference

July 5 (IPS) — North American Labor Party organizers startled an international conference of social psychologists at Carleton University in Ottawa July 4 by indicting two participants for crimes against humanity as outlined under the Nuremburg Statutes. The conference was sponsored by the NATO Human Factors Panel and the Canadian Council, a group under the financial control of the Rockefeller and Ford Foundations and chaired by Peter Dwyer, an operative of British Military Intelligence since World War II.

This elite core group of Nazi Doctors had travelled from Britain, France, Germany, the U.S. and areas of Canada to attend this virtually unpublicized closed conference — sole publicity consisted of a small box in the American Psychological Association's *APA Monitor*.

The purpose of the conference was to thrash out plans for creating the psychological conditions — labor-management co-participation, in-factory brainwashing — needed to implement the fascist economic programs for the working class hatched during the June 19 Ottawa NATO conference [See IPS No. 8].

Organizer Sue Tobin entered the conference and read the Nuremburg Statutes to the 30-odd participants, indicting Nazi Doctors Harry Triandis and conference co-chairman H. Tajfel for their crimes. Triandis, who is an officer in the Lewinite Society for the Psychological Study of Social Issues and who works for the Office of Naval Research of the Advanced Research Projects Agency at the U.S. Defense Department, concentrates on research into "subjective culture" or belief structure of his fellow NATO-policed Greeks, to find ways to manipulate them and modify their behavior. Triandis became extremely agitated when indicted, endlessly repeating, "If all Nazis have mothers, are all Nazis bad?"

Other notorious brainwashers at the conference

included French autogestion specialist Claude Faucheux and John Lanzetta of Dartmouth, who specialized in modifying the behavior of Air Force Personnel to get them to take part in such crimes against humanity as the weather manipulation and defoliation of South Vietnam.

Faucheux who works out of the Laboratoire de Psychologie Sociale is on the board of consulting editors of the *Journal of Applied Behavioral Science*. He has participated in experiments on how to use the fears of some members of a group to immobilize the other members so that they do not act in their own self-interest.

### Conference Head Promises Transcripts To Labor Party

Labor Party organizers explained the nature of NATO's role in Rockefeller's fascist military takeover and slave-labor plans and showed how this was linked to the planned menticide of entire populations. At that time, the co-organizer of the conference, Lloyd Strickland, sensing the impact the Labor Party was having on some of his fellow mind-killers, pleaded with the organizers to leave the conference, saying that he would send all conference transcripts to the Labor Party's Operation Nuremburg, if they would just go away.

Before departing, Labor Party organizers carefully explained the "should have known" doctrine of the Nuremburg Laws to conference participants, urging them to give all information they had on the conference and NATO menticide plan to the Labor Party or stand accused of the crimes themselves.

Conference participants bought \$23.00 worth of the April issue of the *Campaigner*, theoretical journal of the Labor Committees, which lays out the entire Rockefeller-Tavistock-CIA conspiracy.

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## The IRA Comes to Canada...Courtesy of the CIA

July 5 (IPS) — A series of bizarre incidents straight from the CIA's manual were sprung on the Canadian working class last week to set the stage for escalating "terrorist" activity to be followed by police and army repression. July 2 the Irish Republican Army provos (IRA) came to Canada. An American was arrested at the Windsor border crossing on charges that he was transporting stolen NATO weapons for the use of the IRA. In coordinated raids a few days later in Toronto, St. Catherines, and the aptly named Tavistock, six Irish Canadians were also arrested for purported ties to the IRA.

In a rather more elaborate variation on this theme,

two members of the French Canadian nationalist terror group, the FLQ (Quebec Liberation Front), and their families have just surfaced in Paris. The two FLQers were last in Canada during the 1970 mass strike upsurge in Quebec, when they were granted free passage to Cuba in exchange for the release of a kidnapped official.

In what has now been dubbed a "security slip," the terrorists flew to Paris last week from Prague. Despite the much-touted security operation at Orly, supposedly designed to keep out terrorists, the FLQers passed directly through airport customs unchallenged, although both men carried special temporary Cuban travel passports.

The French daily *L'Aurore* blew the story all across its front page, supposedly scooping the French security police. French police are currently engaged in a widely publicized but fruitless search for the terrorists, while press reports locate them as having linked up with either Breton or Basque separatists.

#### **Terrorizing Canada**

The incident is being used to heat up the political atmosphere in Canada just prior to the national elections by evoking the hatred and defeat associated with the 1970 upsurge and the consequent War Measures Act, while fueling fears of terrorism in the population as a whole.

An ex-Conservative Party premier has accused Trudeau of pandering to the FLQ vote by not demanding that the terrorists be immediately extradited to Canada when apprehended. An embarrassed Trudeau responds that the extradition proceedings would violate the 1970 release agreement which he, as an "honorable man," would never do.

Meanwhile, the FLQ's highly suspect defense lawyer Bernard Mergler lent extra melodrama to the situation when he indicated that the FLQers could perhaps be legally extradited.

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## **Marchetti Has Public Fit of Nerves at NCLC Exposure of CIA**

NEW YORK, July 3 (IPS) — In an hour-long broadcast June 30 over WBAI, the CIA "peoples radio" station in New York, Victor Marchetti, "ex"-CIA agent and co-author of *The CIA and the Cult of Intelligence*, said he "didn't know what was worse, being pursued by the CIA or the NCLC [National Caucus of Labor Committees]." Marchetti was being interviewed by longtime counterinsurgent Nick Eagleson, ex-Weatherman and co-author (with the CIA's Nat Hentoff) of the recently released cover-up of CIA domestic activities, *State Secrets*.

Marchetti, far from being contacted — much less "pursued" — by the NCLC, has merely been exposed by IPS as part of the McGeorge Bundy/Marcus Raskin "self-destruction of the CIA" scheme (see IPS, No. 6).

Any "pursuing" he's gotten from the CIA has been in the direction of prodding him to get on with his "expose" — a pre-planned part of the strategy. The book is a collection of naive, previously disclosed drivel which, although purportedly in the works since 1972, was obviously pasted together in the last six months. It says nothing about CIA brainwashing or the actual **modus operandi** of the CIA, as outlined in IPS.

"Ex"-agent Marchetti's hysteria, stage-managed by Eagleson, served further to confirm the accuracy of the Labor Committee's analysis of the Rockefeller cabal's attempt to introduce its fascist military takeover machinery deeper into the infrastructure of the social and political institutions of the U.S., under cover of the "self-destruction" of the CIA.

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## **Pontiac Times Cries "Communist Menace"**

July 4 (IPS) — "The City of Pontiac has become a haven for the Communist Party" — or so declared C. Don Davidson, editor of the *Pontiac* [Michigan] *Times*, in a June 20 editorial stirring entitled "Comrades!"

Actually, Davidson was referring to the organizing of the National Caucus of Labor Committees throughout Michigan's industrial workforce. The Labor Committee presentation on the international situation at the June 11 City Commission meeting so distressed Davidson that he ran, in the editorial column, an 800-word fulmination against Labor Committee "Kommie Kids," complete with cartoon.

Burbled Davidson: "I cannot imagine a more convincing presentation toward assuring the public that

Democracy and Capitalism aren't in as much trouble as we sometimes think....

"The following day after each Commission meeting one can watch the Kommie kids walking the streets of downtown Pontiac selling their newspaper for 25 cents a copy. Twenty-five cents? Those kids are really capitalists and just don't know it!

"As everybody knows, you can pick up a copy of *The Times* for just 15 cents. Now I ask you, comrades, 'Who is "really for the people"?"

Fortunately for the human race, Pontiac workers are reading *New Solidarity* and the primitive Mr. Davidson is playing to a sparsely filled house.

# international report

## Summit Meeting: Grechko's "Nyet" Still Leaves Soviets Defenseless

July 4 (IPS) — With Nixon's visit to the Soviet Union now out of the way, the Soviet leadership is beginning to regroup along the factional lines previously identified by IPS and *New Solidarity*. But it is more evident than ever that without the intellectual leadership of the Labor Committees the Soviet Union does not have the capability to delineate the kind of policy necessary to mount a successful self-defense and defense of supporters in Western Europe from Rockefeller's fascist plans and the ultimate horror of nuclear holocaust. Despite evidence that the Brezhnev faction, committed to puffing detente at any price, are being effectively challenged in factional struggle by the group around Defense Minister Andrei Grechko, no faction of the Politburo has the slightest idea what to do.

It is the Grechko faction's efforts which have resulted in the attribution in today's *Pravda* of the success of the talks to the CPSU's "collective leadership" — the code term used to show that Brezhnev is being checked by factional opponents. The political muscle of that faction ensured that Grechko himself was present with Nixon and Brezhnev during the supposedly important discussions of arms limitation.

Again, Brezhnev's response to Nixon's toast at the last banquet, in which he named three partial accords, saying that the results "could have been broader," was probably the result of the activities of Grechko *et al.* during the course of the extended Politburo meeting which preceded the banquet itself.

In short, Grechko ensured that Nixon would not be returning home with the kind of concessions on arms limitation which Schlesinger has demanded. The *New York Times* July 3 was quick to point out this failure, using Nixon's own words to do so. But this does not mean that there has been a corollary breakthrough on the part of the Soviet leadership to an actual understanding of their situation. It in no way signifies that the Soviets are on the point of calling Rockefeller's bluff by launching a massive counterattack against that family's criminal plans for the Brazilianization of Europe and North America.

Rather, we can now expect to see the Soviet leadership beginning to retreat into a shell of paranoid anxiety as it prepares to defend the socialist "motherland" against the threatened attacks of those "dark sinister forces" — nameless, of course — loose in the world.

### Preparations

Such moves have been prepared internally, through the assertion of the "collective leadership" principle. Both internally and in Comecon, the Soviets are moving

to centralize the economy, rejecting decentralization tendencies of the past. The emphasis on industry and the economy generally is such that *Pravda* July 3 relegated its report of Nixon's visit to a space underneath that paper's front page-fold, leading instead with news of the agricultural and industrial crisis hitting the Soviet Union.

This press activity indicates the coming centralizing push under which the economy and work force will be returned to rigid military-style discipline. At the same time Soviet diplomats and their sister parties in Europe have begun to adopt variations of the coming defense oriented postures. Ambassador Lunkov in London, according to both the *Financial Times* and *Le Monde*, July 3 said that if there is no progress at the European Security Conference which meets in Geneva, then there will be a return to conditions of cold war or even hot war. When asked what he meant by that, he referred to the world situation 30 years ago. Simultaneously the Communist Party press of France and West Germany has begun to editorialize on the necessity of a successful conclusion to the affairs of the Geneva conference.

### Maneuvering in the Box

None of this, however, represents more than an attempt to mount a new series of maneuvers within the parameters of reality as defined by Rockefeller psywar technicians like RAND automaton Schlesinger and, of course, Henry Kissinger. Left to its own devices, the Soviet leadership could do no more. But they will not be left alone. European Labor Committee organizing for the defense of the Italian working class against Rockefeller's domesticated debt-collectors through the debt moratorium, expanded trade with the Soviet bloc to maintain jobs and production, and the dismemberment of NATO (the debt collectors' enforcers) is creating the motion within the European CP's and allied layers through which the situation can be changed.

Just last weekend Georges Marchais, leader of the French CP, demanded an inquiry into the activities of multinational oil companies; at the same time, Amendola, leader of the Italian CP, gave an interview to the weekly paper *Il Globo* in which he outlined how international secret services are organizing to put all of Europe under the iron heel of fascism. He called for international action by working-class forces, particularly those of France and Italy to meet this threat.

The ELC will turn to good effect this dim awareness of the reality of the international situation.

### Nixon's Hope

Nixon's own contribution to the talks must be seen from the context of the emergence of the Soviet defense

bloc against Rockefeller advocacy of the limited nuclear warfare version of detente. Given the context already created by the Rockefellers he could do nothing — except, most important, strengthen his position in relationship to his own constituency in the U.S. and the impeachment process. To that extent it is most indicative that the Baker Report, which produces further corroboration of the CIA's involvement in Watergate, was published while Nixon was in Moscow, thereby linking

Nixon's strong suit of his foreign policy to his anti-impeachment holding action.

In that context, Radio Moscow's wilfully erroneous translation of Henry Kissinger's parting remarks is doubly ironical. The Russian simultaneous translator turned Kissinger's "we have made some progress" into "we have made great progress."

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## The Stinking Corpse of Peronism

July 5 (IPS) — After intense public clamor, the traditional three-day viewing period for a dead body was extended to a fourth this week for the lying-in-state of deceased Argentine President Juan Domingo Peron. The fourth day's processional had to be cut short, however, due to what radio reports delicately termed "faulty embalming."

Peron's main accomplishment since his CIA-arranged return to Argentina in 1973 (after the failure of the military junta to manage a sufficient degree of austerity) was the *Pacto Social*, by which both management and labor were brought into line with government wage and price freeze policies. His continuing appeal for duped Argentine workers made Peron an ideal instrument for forging the corporatist "popular unity" regime required by capitalists in this depression.

Peron is succeeded in office by his wife Isabelita, formerly a cabaret dancer. She is backed by Minister of Social Welfare Jose Lopez Rega. Together they have extensive ties to the rightwing apparatus, and may initially stand in the way of a Peruvian-style "progressive" CIA military coup. Either way, the fascist institutions created by Peron have laid the groundwork for Argentina's continued subjugation to the Rockefeller-CIA forces.

In response to Peron's death, both the Vatican and the government of Cuba have declared their condolences. A papal Mass will be celebrated for the deceased dictator. Radio Havana, paralyzed at the possibility of another Latin American rightwing coup, announced three days of national mourning for Peron's corpse in an act that shocked revolutionaries throughout the world.

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## Demise of the Christian Democrats

July 8 (IPS) — As the sixty to ninety day deadline for world economic breakdown expires, Italy's municipalities and social services, her small industries and public and private construction are collapsing on schedule. Garroted by the credit therapy of Rockefeller tool and Bank of Italy head Guido Carli, these sectors are sweeping away an entire social layer as they fall. Virtually every venal local bureaucrat, petty speculator, Savings Bank functionary, second-string *mafioso*, and antiquarian capitalist — almost the entire clientele of the *Democrazia cristiana* (DC) — are slated for the chopping block. With their demise, the whole postwar regime of bourgeois Italy and thirty years of Christian Democratic hegemony is coming to a sudden, explosive end.

### DC Formed to Stop Communists

The first thing to understand is that the DC is not really a political party at all, but a kind of gaudy American hotel for Italian carpetbaggers. Unlike the Communists and the Socialists, who were hegemonic in the anti-fascist Resistance of northern Italy, the Christian Democrats had no legitimate role in the partisan movement of 1943-45. Fearful that the highly politicized workers of north Italy might actually seize state power, the Allies created a mass Catholic party based on the sadistic grip of the Church over backward layers in the Southern Mezzogiorno region and the Northeastern Venetia region. The men who have governed Italy since 1945, the Fanfanis, Andreottis, Colombos, etc., were culled from the fascist-collaborationist Catholic Action, laundered in Switzerland, and recycled as anti-fascists to run Italy for American imperialist interests.

In exchange for their services, these good Christians were permitted to build fiefdoms based on connections with the Mafia, the Vatican, the oil interests, etc., trading votes for goodies out of the public till. Much of Fanfani and Andreotti factional strength, for example, rests on strong connections to Mafia-linked Sicilian politicians, Premier Rumor is coated with petroleum, and so forth.

### Agnelli Turns Against DC

Now Gianni Agnelli, who heads the Fiat empire and recently became president of Confindustria — the manufacturers' association — has begun informing the small capitalists who proverbially can't see past their plant gates about a new Rockefeller policy for governing Italy. On a visit last week to Brescia, heartland of primitive small-scale industrialism, where the recent

fascist outrages have dealt a severe setback to the public image of the entrepreneurs, Agnelli made it clear that the days of Confindustria support for the DC exclusively were finished. Faced with the necessity of luring left parties and trade unions into participating in their own destruction, Confindustria today has discovered a convergence of views with its natural antagonists, the Socialist Party of Italy.

Under this doctrine the Socialist Party would have an increased role in the center-left government, with the DC considerably scaled down. Confindustria would support such a formula to mobilize workers in the productive sector against the unproductive fluff in the State sector, where the Christian Democracy is dominant. As part of the honeymoon with the Socialists, Fiat is now pioneering a six-year program to guarantee employment levels in exchange for breaking down the skilled industrial workforce into labor gangs, to be allocated en masse in the Mezzogiorno slave-labor projects now on the drawing boards.

Watching the whole basis of its rule suddenly crumble, the *Democrazia cristiana* has gone haywire. After the painful setbacks May 12 in the divorce referendum and June 16 in the Sardinian elections, the leaders and the *Palude* — the aptly named swamp — of the seven official *correnti* and innumerable subfactions in the DC have scattered in every direction looking for cover, trying to find some new basis for a political future.

### "Historic Compromise"

#### With the PCI?

On the left, the leading exponent of Mezzogiorno recycling schemes, Carlo Donat-Cattin, back-talked party secretary Fanfani and got thrown off the party executive, provoking a series of resignations. Meanwhile, a convention of pro-divorce Catholics met in Rome amid applause from the Communist Party of Italy and rumors of the formation of a new left-Catholic party.

But even right-wing southerners, immersed in clientele politics, are jumping on the Rockefeller-Agnelli bandwagon. A few days ago State Holdings Minister Nino Gullotti, a Sicilian, came out in favor of a so-called historic compromise with the Communist Party at the DC youth congress!

### Fanfani Scrambles

This week Amintore Fanfani has been frantically meeting with faction leaders to persuade them to reconstitute the party on the time-honored basis of division of the spoils. With no spoils left to be divided, the only

motivation for a DCer to accept this ploy now is the fear of the unknown alternative.

The same terror permeates the national leadership of the Communist Party of Italy. Devout centrist bureaucrats, they will do everything possible to keep the DC together, because without the DC they are face to face

with the question of seizure of state power. In this political vacuum the European Labor Committees' proposal of an immediate moratorium on foreign debt, and the building of international support to defend it, is reaching the politicized layers of the working class with the sole real alternative.

## IPS book review:

### Mussolini's Widow Remembers Papa

*MUSSOLINI: An Intimate Biography*

*By His Widow Rachele Mussolini as told to Albert Zarca.*

Morrow \$8.95.

July 8 (IPS) — “Duce, you are too kindhearted,” Hitler told Mussolini during the troubles of 1943. “You’ll never make a dictator.” Mama — Benito’s pet name for his wife Rachele — agrees: “he was opposed to hurting people. . . . His philosophy was such that he felt a more intimate bond with someone like Ghandi or Francis of Assisi...than with someone like Stalin or Hitler...” Too tender to cut off the wart on his neck his children loved to play with, a man afraid of ghosts and the evil eye,

Benito is posthumously rehabilitated and castrated by Rachele’s almost embarrassing mass of clinical evidence exposing the **bambino** behind the brawling, dueling **cazzisto**. Rachele sacrificed herself by tolerating his liaison with Claretta Petacci, but he always loved Mama best and she, unlike Petacci, survived. “The Italian is a great big well-meaning baby” — at the age of 83 Rachele views the Italy of strikes and Bolshevism as a crowd of children in need of “a stern father figure.” Basically, she declared, “Mussolini did more for his country than all his successors,” but fell through soft heartedness. Next time no more nice guys. Mama, a patron saint of Italy’s fascist MSI movement, knows best.

# the mideast

## Iraq Government Wavers Toward Soviets; CIA's Fatah, Sadat Apply Pressure

June 30 (IPS) — A series of ominous moves by the Baath government of Iraq indicates that the carefully applied pressure by Rockefeller-CIA forces is on the verge of paying off. IPS has learned from reliable Arab sources that Egyptian President Anwar al-Sadat, a CIA operative, is considering a state visit to Iraq in the near future, possibly immediately after his current trip to Eastern Europe.

Combined with the sudden dismissal of the Iraqi Foreign Minister Abdel Baki last week and the unexpected return of Michel Aflaq, anti-communist founder of the Baath party, to Baghdad after four years of self-exile in Beirut, a Sadat trip to Baghdad means nothing less than the beginning of Iraqi capitulation to the Sadat-Rockefeller axis in the Middle East.

Furthermore, the motion toward reconciliation between pro-Soviet Iraq and the collection of Rockefeller allies led by Sadat and Saudi King Faisal is being mediated by the counterinsurgent army Fatah led by Yasser Arafat. Fatah's announcement claiming responsibility for the June 21 terrorist attack on the Israeli coastal town of Nahariyya was made conspicuously from **Baghdad!** This startling fact was overlooked by the capitalist press — the same press which has played down the armed clashes between Fatah and the Iraqi-backed PFLP. What it signifies is that Fatah, lavishly funded by the CIA via Faisal's treasury, is being used to cover possible Iraqi moves rightward by providing a "militant" Palestine nationalist frenzy.

That — and nothing else — is the reason behind the sudden "escalation" of the Israeli-Arab terror and counter-terror war in southern Lebanon. While Leonid Brezhnev and the Soviet Politburo toast Nixon and try to make the world go away, the Soviets' lone remaining ally in the Middle East is wavering under pressure. Essentially nationalist, the Iraqi Baath cannot long resist the calls for Arab solidarity in the face of Israeli aggression.

### "The Arab Reality"

First indications of the growing success of the CIA offensive against Iraq came in a June 5 speech by Iraqi strongman Saddam Hussein. For months Iraq had been threatened by the CIA-directed forces of the Shah of Iran, weakened by the phony rebellion of the Kurds in northern Iraq, and surrounded by Turkish NATO troops in the north and King Faisal's U.S.-equipped forces in the south. When Syria signed the Israeli disengagement accord, Iraq's strategic — and psychological — position

collapsed. Right-wing forces in the Iraqi Baath, aided by the CIA, could use the Syrian capitulation as an excuse to push Iraqi acceptance as well.

Hussein's speech came simultaneously with the signing of the Israeli-Syrian accord. "The Arab reality, my comrades and friends, is a very complicated and intermingled reality, and it is not possible in my opinion to make general judgements about how to deal with basic issues presented. In addition, it is not always possible to resort to estimations that were based on past conditions and information, for in this arena it is clear that issues are moving with unusual speed," Hussein said.

Translated into plain English, Hussein's remarks show that because of the rapid changes in the Middle East effected by Rockefeller operative Sadat, the policy of Iraq must adapt to "new realities." Unless the Soviets evince clear evidence of their full support for Iraq, Hussein will reconsider Iraq's pro-Soviet stance.

### The Changes Come

Soon after Hussein spoke, the startling events mentioned above occurred in rapid succession. The Iraqi Foreign Minister Abdel Baki was fired, and sent to Moscow as Iraq's ambassador — a standard method for neutralizing pro-Soviet politicians. As a result, should Iraq attend the scheduled July 3 meeting of 21 Arab foreign ministers, called to "emergency" session by Kuwait to deal with the Zionist raids into Lebanon, Iraq will be represented by its nondescript new minister, Chazel Taka.

At the same time, Baath "guiding light" Aflaq returned. As a revered intellectual and a fervent Arab nationalist, Aflaq will be useful in holding party factions together should Iraq begin a replaying of the bloody purge of communists in 1963.

### Arafat vs. PFLP

Since January, Arafat's CIA faction of the Palestinian movement has waged an escalating war with the pro-Iraqi Popular Front for the Liberation of Palestine (PFLP). In fact, late in February the Palestinian Revolutionary Committee in Iraq expelled the pro-Arafat Hawatmeh group as "capitulationist" and Fatah responded by trying to cut off arms and supplies to PFLP centers.

The Iraqis and the PFLP, increasingly isolated from their brother Arabs, resorted to militant demagoguery, accusing Sadat and Arafat of sabotaging

the "Palestinian cause." By taking responsibility for raids into Israel, Fatah has provided Iraq with the excuse for collaboration with the Sadat-Arafat forces without weakening its militant pose. The fact that the Fatah communique was issued from Baghdad and not Damascus or Beirut indicates that the process is already far advanced.

Should Iraq fall into Rockefeller's hands, the Soviet bloc would be vastly weakened because Iraq's immense oil production would then be controlled by the CIA. Furthermore, Italian and other workers who seek allies internationally when considering the debt moratorium proposed by the Labor Committees will have lost a vital source of oil needed to break a Rockefeller embargo.

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### Israel: "Economy Lousy, Business Great"

July 8 (IPS) — The June 1 issue of *Business Week* quotes Aharon Dissentshik, chief economist of Cial Israel Investment Co., one of Israel's largest private holding companies, as saying: "The Israeli economy is in lousy shape, but business is great." Two weeks ago Tho Sanbar, Governor of the Bank of Israel, evinced the same misplaced optimism when he proposed cutbacks in public spending and private consumption which "don't warrant outcries." According to Sanbar, the economy is all right because "the U.S. doesn't want [debt] repayment this year nor the next."

Only the chemical and electronics industries are propping up the Israeli economy. The Histadrut-owned Makteshim Chemical Works Ltd. (Koor Industries) just received \$3.5 million from Rockefeller's International Finance Corporation for the development financing of a pesticide for export.

Meir Amit, presently head of Koor Industries, the Histadrut-owned octopus whose business is swallowing bankrupt factories, spoke recently at Columbia University's Council on Economic Affairs. According to Amit, whose background includes a stint as Chief of Israeli Military Intelligence, Koor's principal task is to earn more money "in every way it can."

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## west germany

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### West German CP Jumpy at LC Influence, Publicizes Conference That Never Happened!

July 8 (IPS) — The European Labour Committees' (ELC) aggressive organizing for united front work among European leftists, against Rockefeller and for the socialist reconstruction of Europe, has forced the West German Communist Party (DKP) into a spectacularly stupid move. In order to head off the ELC and prove that the DKP is already carrying out its own united front work, the party newspaper this week published a totally false account of the July 1 Strasbourg conference of DKP and German Social Democratic (SPD) youth — a conference that never took place!

The conference in Strasbourg, France was billed as a get-together of European socialist and communist youth, with the SPD's massive youth group, the JUSOS heavily represented. The JUSOS hoped that some form of "dialogue" with communists would satisfy the insistent ELC-inspired demand from its own members for a serious common front against Rockefeller. But at the last minute, the craven JUSOS got cold feet.

When the DKP appeared, a squabble broke out over the heavily factional issue of separate representation for West Berlin groups; the real question was whether the Communists would be allowed to participate. The JUSOS, who decided to keep a clean house, insisted that the socialist and communist groups meet separately. A fight ensued, and the conference was never convened.

The ELC, though not permitted to enter the non-conference, dominated what little proceedings there were. ELC influence was so obvious that a reporter from the major West German paper, the *Frankfurter Rundschau*, remarked, "It's not even your conference and you're dominating it!" Clearly the panicking JUSOS hoped to undercut the Labour Committees' already dramatic effect in its own ranks by sabotaging even the appearance of united front activity, for fear that if the

door were opened to the DKP, the ELC could not be excluded.

Now the DKP's paper *Unsere Zeit* has published a "joint communique" from the conference that never was. The fantasy communique reports that the JUSOS and the DKP youth agreed to a Europeanwide fight against the multinationals and expanded contact between the two groups.

What could have provoked the DKP into an obvious public lie that will only make further work with the JUSOS impossible and increase the ELC's credibility? The cynical Communist leadership believes that party members will trust their press and pay no attention to contrary reports from the ELC or the JUSOS. They hope that this "proof" of united front activity will squelch the Labour Committees' growing intellectual hegemony in West Germany's left, and provide the Italian Communists with similar protection from ELC influence.

Further, it will give the sleeping bears in the USSR another prop for their pathetic illusion that the longed-for "winds of detente" emanating from Rockefeller agent Schmidt's SPD are as gusty as ever.

Labor Committee organizing in Canada has prompted similar hysteria from the Communist Party there (the CCP). When Labor Committee members attempted to enter a CCP function in Quebec on June 6, they were refused entry, while party head Kashtan screamed that here were dangerous "ultra-left elements" — revealing the reason for the CCP newspaper's lengthy polemic against unnamed "ultra-left elements" a few days before. So terrified is the party's leadership of the Labor Committees' effect, which has caused intense disaffection and ferment within the party and its periphery, that the paper warned, "those elements are trying to take over the party."

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### 'ELC Class' for Maoists

BERLIN, June 30 — The CIA-controlled German Communist Party-Marxist-Leninist (KDP-ML) has just opened the "*Arbeiter Fraktion Schule*" (Labor Committee School) in Berlin and Frankfurt to give its frenzied cadres training in "how to deal with the ELC" — Rockefeller's major opponent on the continent.

This Maoist mini-group is the CIA's only remaining weapon in its anti-ELC arsenal. Virtually every other German left organization is seriously considering a united front with the ELC. One wonders what the Maoists will learn from the CIA's floundering attempt to stop burgeoning ELC organizing.

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## research reports

# The Busing Plot: CIA Plans Fall Race Riots, Organizes Both Sides

*"It's not going to be a long hot summer — it's going to be a long hot fall." — Ben Holman*

July 8 (IPS) — The IPS intelligence staff has uncovered evidence indicating that the U.S. Central Intelligence Agency is involved in a conspiracy to provoke racial conflict in major cities across the nation this fall. The bulk of the information is the product of a thorough investigation of the admissions of self-exposed Federal Bureau of Investigation agent Vernon Higgins, whose most recent assignment was to infiltrate the U.S. Labor Party in the Detroit region. To carry out this racial violence, the CIA has coordinated the activities of its Law Enforcement Assistance Administration (LEAA) police apparatus; the Departments of Labor and Health, Education and Welfare; a plethora of local and national CIA-controlled right-wing paramilitary groups including the Minutemen and the Ku Klux Klan; and the leading CIA-controlled pseudo-left-wing groups, the Revolutionary Union and the Socialist Workers Party.

Higgins outlined the history of his career as an FBI spy to Detroit Labor Committee Intelligence and Security personnel the night of June 19. Higgins said he had been trained in Naval Intelligence for the CIA's Bay of Pigs invasion of Cuba, particularly in photo-reconnaissance. As an informer receiving \$70 per month in the Pontiac, Michigan Ku Klux Klan two years ago, Higgins said he was active in the 1971 bombing of Pontiac school buses as a so-called "protest" against court-ordered desegregation. Our assessment is that the CIA provided the FBI agents such as Higgins to provoke the conditions and stage the incidents that led to racial conflict in that city.

### Holman's Prediction

Higgins' admissions corroborate IPS' evaluation of the recent "prediction" by Ben Holman, Director of the Community Relations Service of the U.S. Department of Justice, that "It's not going to be a long hot summer; it's going to be a long hot fall." This announcement, reported in the June 1 *Washington Star-News*, is most likely a self-fulfilling prophecy by an agent privy to the CIA's covert operations scenario.

Holman predicted "racial disorders" around school desegregation in thirty cities, mostly in the north, when schools reopen in September. He insisted that "trouble will occur regardless of which way Congress moves on proposals to limit busing of children for purposes of racial balance." According to the *Washington Star-News* article, the thirty cities are broken down into three categories: cities sure to have riots, those probable, and those doubtful, with ten cities being in the first category. (See accompanying chart.)

A key activating element in the scenario is the deployment of Community Relations Service "cushion teams" made up of lawyers, social workers and others whose task, according to Holman, is to "steer frustration

### CITIES PREDICTED TO HAVE RACIAL DISORDERS BY THE COMMUNITY RELATIONS SERVICE OF THE U.S. DEPARTMENT OF JUSTICE

#### "Sure"

- \* Boston, Massachusetts
- \* Springfield, Ohio
- \* San Francisco, California
- \* Indianapolis, Indiana
- \* Rockford, Illinois
- \* St. Paul, Minnesota
- \* Denver Colorado
- Philadelphia, Pennsylvania
- Huntington, West Virginia
- Louisville, Kentucky

#### "Likely"

- Waterbury, Connecticut
- New Kensington, Pennsylvania
- Arnold, Pennsylvania
- Uniontown, Pennsylvania
- New Castle, Pennsylvania
- Youngstown, Ohio (Youngstown and above five in immediate Pittsburgh area)
- San Bernadino, California
- Tuscon, Arizona
- Chatanooga, Tennessee
- Milwaukee, Wisconsin
- Mt. Vernon, New York
- Lackawanna, New York
- Omaha, Nebraska
- St. Louis, Missouri

#### "Pending"

- Richmond, Virginia
- Kansas City, Missouri
- Des Moines, Iowa
- Wilmington, Delaware
- Baltimore, Maryland
- Braddock, Pennsylvania

\*Justice Department "Cushion Teams" sent.

into the existing community apparatus, working closely with the LEAA, the Department of Labor, and the Education Division of HEW." Such teams have already been requested by and deployed to Boston; Springfield, Mass.; San Francisco; Indianapolis; Rockford, Ill.; St. Paul; and Denver. These "cushion teams" are akin to other known CIA creations, the "hostage negotiating teams," the "anti-bigotry teams," and the entire network of "crisis intervenors" and "conflict resolvers." (IPS has available a background report, originally printed in *New Solidarity* newspaper, detailing the CIA's organizing, over a twenty year period, of the crisis intervention network of which the Justice Department's CRS is one component.)

Most important, the crystal-ball clarity of Holman's announcement indicates that racial conflict is an integral part of the CIA's insurrectionary strategy. In sum, such racial incidents are geared to (1) decimate the nascent tendencies towards working-class fighting unity against current austerity measures; (2) provide the pretext for military occupation of the cities under CIA devised "emergency preparedness" plans; and (3) begin the mass extermination of inner city residents considered "useless" under depression conditions.

#### DOL and HEW Roles

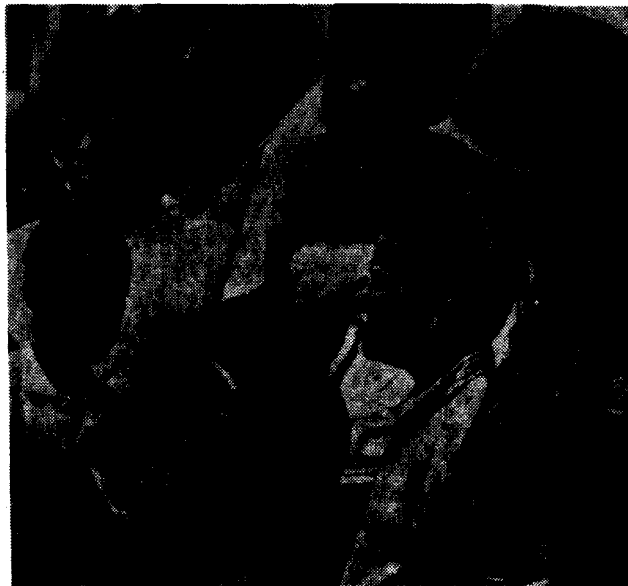
As Holman notes, both the Departments of Labor and HEW are helping to manufacture the scheduled riots. June 14 the Labor Department announced major cut-backs in funding for youth recreation programs in New York, Philadelphia, Los Angeles, and Chicago. This was accomplished by dividing Congress' \$117 million appropriation between 500 cities instead of the usual 120. Cut-backs are as follows: New York from \$2,362,000 to \$1,094,868; Philadelphia from \$532,500 to \$193,000; Los Angeles from \$602,000 to \$308,000; and Chicago from \$914,000 to \$859,376. Congressional objections to this — "Recreational support is a big city program, originally designed to 'keep the cities cool' during the long, hot summer months when large numbers of youth are out of school and idle" — have proved fruitless.

HEW is also contributing to the heating-up process by threatening to cut funding to schools which remain racially imbalanced. At the present time, the only city which has lost funding is Ferndale, Michigan, located halfway between Detroit and Pontiac. Furthermore, HEW has ordered desegregation of state colleges in Arkansas, Florida, Maryland, North Carolina, Oklahoma, Pennsylvania, and Virginia, threatening again loss of monies.

The effect of such provocations can be seen in recent racial flare-ups in Detroit. In mid-June, the press played up anti-teacher sentiments surrounding student protests which also involved parents. As of June 13, at least one school had closed for several days and students had to be accompanied by parents when returning to school. Students had broken windows and damaged cars, threatening walk-outs at thirteen schools.

The Holman prediction demonstrates that the CIA is now reactivating its countergang apparatus around the bogus busing issue in preparation for race war across the nation this fall.

Already the preliminary exposure of this game plan in *New Solidarity* has put the CIA apparatus on the defensive. The first time IPS reporters interviewed Holman's public relations man, they were told that the article in which Holman's predictions appeared was an accurate representation of that agent's position. In a second call, IPS reporters were told that the article was a total misrepresentation of Holman's views and the thirty cities named merely represented areas to which the



The military steps in to keep order, CIA-style.

Justice Department could send help should there be trouble.

#### The 1971 Incitements

Much of the late 1960's turmoil centered around the two major school desegregation cases, Swann vs. Mencklenburg County (the Charlotte, North Carolina school system) and Brown vs. the Topeka School Board. In general, agitation was high in Atlanta, New York City, Richmond and Detroit. This last case, though not as highly publicized as the southern cases, continued unabated through the 1960's and was purposely escalated in 1971. This reactivation came precisely at the point that the onslaught of capitalist depression, marked by the monetary collapse of August 15, 1971, demanded an escalation of capitalist attack on the key industrial working class population in the Detroit region.

A fight led by social fascist Senators Mondale and Ribicoff against the alleged inadequacy of a newly proposed desegregation bill, HR 19446, sparked the creation of the Select Committee on Equal Education Opportunity, chaired by Mondale and including Senators Bayh, Javits, and others. Mondale proposed alternative legislation. As soon as the Congressional battle hit the press, agitation erupted in Detroit, Pontiac, Flint, New York City, and Boston around the busing issue. Two notorious anti-busing operatives immediately rose to the surface: Boston's Louise Day Hicks and Pontiac's Irene McCabe. Detroit was slated for controlled racial violence.

Before McCabe's newly formed National Action Group could get off the ground as a white countergang, the CIA had to build a climate of racial hysteria. In January 1971, STRESS, a Brazilian-style death squad, was created by the Detroit Police with LEAA funds. This unit proceeded to shoot to death one ghetto resident per month over a period of 15 months. Using the terror and

hysteria created in the black community by STRESS, the New Detroit counterinsurgency apparatus, grouped around Coleman Young, Ken Cockrel, and the CIA-LEAA funded Afro-American Policemen, consolidated anti-STRESS sentiment in a death grip of local control over the ghetto. These agents made every effort to polarize the community along racial lines, including sending out opinion research teams to whip up and funnel hysteria into self-policing, community-control LEAA-type structures.

This process was aided by the strategic presence of the fascist police groups — Revolutionary Union, Socialist Workers Party, the RU-directed Black Workers Congress, and the Detroit Revolutionary Union Movement. These fascists provided the left cover to deflect radicalized workers into New Detroit local control. The same wave of hysteria in the plants allowed racist Irene McCabe and the KKK to set up a network among white workers.

As the hysteria was being built throughout 1971 in the black community, a coordinated drive was set for the summer. In May, a February 1970 Federal Court decision demanding busing for the Detroit area was upheld by the U.S. Sixth Circuit Court of Appeals. On August 15, Irene McCabe announced the organization of the National Action Group (NAG) for the purpose of leading anti-busing demonstrations. McCabe's NAG did not actually recruit heavily until after the bombing of thirteen school buses on August 30, 1971 by the Ku Klux Klan. While there were a number of other rightwing groups involved in the demonstrations, most slightly milder than NAG but again usually led by women, NAG was hegemonic. The following grid of 1971 incidents indicates the nationally coordinated attempt to heighten racial tension around the Pontiac situation:

- Sept. 2 — anti-busing rally by NAG of 5000 in Pontiac.
- Sept. 3 — teachers strike threatened over economic issues.
- Sept. 7 — schools open, with demonstrations leading to fourteen arrests.
- Sept. 8 — more demonstrations and arrests.
- Sept. 9 — Klan bombing conspirators arrested.
- Sept. 11 — McCabe leads a sixty per cent effective wildcat at the General Motors Fisher Body plant. Her attempts the next day to escalate the "strike" fail, as the number of those wildcatting drops drastically.
- Oct. 6 — Senator Mondale announces that his committee will hold hearings on the Pontiac situation in the town itself.

Present evidence indicates that McCabe is linked to the CIA through her lawyer and fellow spokesperson L. Brooks Patterson, current Oakland County Prosecutor and funded directly by the LEAA. In an IPS interview, the Pontiac LEAA head Ronald Rhodes confirmed that

the LEAA has a very close relationship with Patterson, and that their personnel "can walk into the county prosecutor's office any time and see his files."

#### How the Klan Was Used

Although he was surrounded by lesser agents such as Vernon Higgins, the pivotal figure in the bombing set-up was Klan Grand Dragon, Robert Miles. One of the six Klansmen arrested and convicted of the bombing, Miles was used by the CIA to pull the extreme rightwing underground into a tightly controlled network. Key to this was Miles' friendship with agent Roy Frankhauser, Grand Dragon of Pennsylvania, with whom Miles was working simultaneously to direct school bombings around desegregation and to bring the extreme right together around such actions.

Frankhauser, who was fully entrenched in the LEAA, was a major arms and explosives conduit for extremists, some of his material finding its way into the Detroit area. He also probably was responsible for bombings in the black and Puerto Rican ghetto of Reading, Pennsylvania. Frankhauser had previously united the Klans of Pennsylvania, Virginia, the National Renaissance Party and, by implication, the Minutemen of which Frankhauser was regional head. Frankhauser's ties to the CIA are indicated by the fact that he was responsible for bringing the National Renaissance Party into the fold of "legitimate" rightwing extremists around a joint defense of Miles, thus incorporating into the network the Gusano organization with which the National Renaissance Party has close relations, including its "sister" group, the Commandos Libres Nationalistas.

These semi-legal groups were gathered together in an alliance around a joint regional paramilitary training center. Frankhauser also worked with Miles to establish Unity Now, an international organization based in Toronto, run by Wieche Martin, leader of the Nazi International, now called The World Union of Free Enterprise National Socialists.

#### United Fascist Front

This work accomplished, the two attempted to organize the ultimate CIA control set-up—a united front between right and left countergangs. Touring together, both Miles and Frankhauser started urging that the unified extreme right unify with the extreme left to bring down the government. Miles met with Youth Against War and Fascism and the *Fifth Estate*, a Detroit-based underground newspaper countergang. An early community-control paper, the *Fifth Estate* came directly out of the Students for a Democratic Society "JOIN" operation, a creation of the counterinsurgency organizer Saul Alinsky. As part of the negotiations, Miles urged that while he was still a Klansman he could not agree completely with the ravings of Klan Imperial Wizard Shelton's racism, and, in fact, he admired the Black Panthers. The fight, said Miles, was against



One side of the CIA-controlled race war.

"monopolistic capitalism" based on the fact that "workers need unity and self-image." (Reported in the *Fifth Estate*, March 11, 1972.) By 1973, Miles had split with the Klan to further his organizing of extremist unity. The Klan "has too narrow appeal" he claimed, touting the fact that he supported McGovern in the 1972 election because of his radicalism.

Miles and Frankhauser also operated under the cover of the Mountain Church of Jesus Christ, Miles being the minister of one church in Howell near Pontiac, Michigan and Frankhauser a minister in Reading, Pennsylvania. The Reading area, where Frankhauser was an extensive paramilitary operator, contains no less than six of the thirty cities slated by Holman for race riots this fall!

The infiltration and organizing groundwork already laid, the FBI now proceeded with the Pontiac bombing to escalate tension and publicity around the busing issue and to turn the Klan into a white countergang.

#### FBI Bombings

On the evening of August 30, 1971 bombs were placed and blew up thirteen of the forty school buses that were to be used to transport 8,700 of the 25,000 students to "desegregating" schools a few days later in Pontiac. The bombing was widely described as a "professional" job. Six men were arrested (including Miles) and charged with two counts of conspiracy. The trial testimony centered around James Lauinger, an FBI informer, who claimed to have been in the Klan for four years. His control was chief of Pontiac FBI, Phil Macado, whom Vernon Higgins also designated as his control. A discrepancy was brought up in the trial around the FBI's admitted knowledge of the bombing conspiracy as early as July. The agency claims that they informed Pontiac's police chief who, however, insists he was never told! All six men were found guilty and are presently on appeal. Miles has split his case from the other five and is now being defended by Thunderbolt, an arm of the National States Rights Party.

One of the other arrested men, Wallace Fruit, claimed his group was closely tied with the National Action Group. Irene McCabe denied any such ties to this lunatic fringe.

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## The Boston Set-Up for Race War

The paradigm for the racial violence in the fall is Boston. There Deputy Mayor Robert Kiley, former CIA agent and assistant to Richard Helms, has formed a major task force of city, school, and police officials to work out the logistics for the implementation of Boston's racial balancing plan next September. Kiley motivated his task force June 15 by warning: "If another week goes by and there is still not a clear plan...it will be very, very hard to have a smooth operation this fall....[I am] not predicting disaster [but] time is of the essence" (*Boston Globe*.)

District Court Judge Garrity ruled June 21 that Boston had been running a discriminatory school system and he ordered the city to proceed with a racial balancing plan in September. The Judge's decision came within hours after the school year ended, to ensure that the issue would remain hot. The plan will be limited to the inner section of the city, and according to Garrity's ruling "a preference not to bus" will not be valid.

The police liaison to Kiley's task force is Deputy Police Superintendent Paul Russell who began moving the task force directly into neighborhoods a week before Garrity's ruling. He intends to hold meetings in each of the city's eleven police districts to get the community apparatus into shape. "We will be identifying the neighborhood leaders right now for September," Russell said in a *Boston Globe* interview. Russell told IPS in an interview that he will be working with his various agents in communities to "pick out the kids known to be troublemakers, and also to find the leaders among the kids to get them to help us prevent trouble." Other agencies preparing for the crisis — which in Russell's

view would occur even without the racial issue because of the overcrowded schools and transportation system — are the Youth Activities Commission, the Office of Public Services (Neighborhood "City Halls"), the Office of Human Rights and the Transit Authority. Russell is already confident that "many parents do not intend to send their children to school" and plan non-violent civil disobedience, with "actions" planned in key neighborhoods. In effect, Boston is carrying out fully the Holman-LEAA design for activating the apparatus to implement race riots by organizing both sides of the conflict.

Kiley's role in the setup is not limited to Boston. At a March 14 session sponsored by the National Center for Dispute Settlement, Kiley briefed school officials from Pontiac; Seattle; Prince George County, Maryland; Rochester; and Boston on "Busing and Racial Conflict." He described the process of organizing students to police the schools, warned that buses may be dynamited, and talked about behind-the-scenes meetings with community leaders in the predominantly Irish South Boston section, home of racist, anti-busing agent Louise Day Hicks.

It is also rumored that Kiley intervened to squelch a possible compromise between the Massachusetts Black Legislative Caucus and anti-busing groups on the desegregation issue. Louise Day Hicks, for example, supported the Caucus presumably because they were ready to draw up legislation to repeal the racial imbalance law based on a community control of the schools compromise. Kiley's role in destroying the compromise was voiced to IPS by a variety of sources.

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**IPS has available additional information on Kiley's  
role as a CIA agent in Boston.**

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## Atlanta, Georgia: Another CIA Test Tube for Terror and Race War

July 5 (IPS) — The murder of Mrs. Martin Luther King, Sr. during a Sunday church service in Atlanta is the latest evidence of a conspiracy by the Central Intelligence Agency and its domestic arm, the Law Enforcement Assistance Administration, to set up the U.S. population for military takeover under CIA control. The apparently random killing in Atlanta, like the well-publicized terrorism of the CIA countergangs, the Symbionese Liberation Army and the Black Liberation Army, and the CIA-orchestrated San Francisco Zebra murders, is designed to create the atmosphere of panic in which a thoroughly demoralized working class will accept Gestapo-style law enforcement. A key element in the CIA strategy is the deliberate organizing of racial conflict.

Evidence for these assertions falls into two basic categories. The first: the strong circumstantial indications that Marcus Chenault, the 21-year-old black man who shot Mrs. King, was a victim of behavior modification (brainwashing) techniques which the CIA-LEAA used to create the SLA and BLA terrorists. (For a complete account of these operations, see IPS No. 6.)

The second: ten months of calculated maneuvers by the LEAA and "progressive" black politicians in Atlanta, aimed at "watergating" old guard police chief John Inman, the principal obstacle to an LEAA reorganization of city government. At present a legal injunction against the reorganization, obtained by Inman, is in force. As Atlanta is the regional center of LEAA activity in the southern U.S., and as the city has historically been the showcase of supposed southern prosperity and racial integration, it is clear that this operation represents the LEAA strategy for the entire south.

### Evidence of Behavior Modification

According to those who knew him, in recent months Marcus Chenault had undergone an abrupt personality change, a tipoff to the use of behavior modification. According to the *New York Times*, "many of those who knew him found him a model young man — bright affable, sensible. But in recent months that image began to change. Two months ago he was arrested and fined \$25 for playing 'very offensive homemade tapes' from a stereo system mounted in his apartment window.... Neighbors...recalled he had preached out the window...."

Chenault's behavior at the time of his arrest and in court strongly suggests he was in a psychotic state. The *London Times* and *Los Angeles Times* report that bystanders heard Chenault say as he was apprehended, "Please don't hit me; they did it to me during the war."

Chenault was never in any actual war. He identified himself as "Servant Jacob — a Hebrew" and said he was "sent on a mission from God." When asked if he had shot anyone, Chenault replied, "I assume I did," indicating he had no memory of the event.

Replacing the victim's actual beliefs with an artificial belief structure through behavior modification, thus inducing psychosis, is a key feature of CIA brainwashing operations. Donald Freed, independent investigator of the Citizens Research and Investigation Commission, has released documents showing how SLA leader Donald De Freeze was provided with another identity while an inmate at the Vacaville State Medical Facility in California. While De Freeze was spouting a black nationalist line in meetings of the prison's CIA-organized Black Cultural Association, his letters from the same period insist on his deep commitment to a Christian worldview.

Chenault's "black Israelite" belief structure (he was until recently a church-going Christian, according to his family) corresponds to that imposed on ghetto youth in the Blackstone Rangers gang in Chicago, used to create the CIA ghetto countergang the Bene Zakeem. (See IPS No. 6.)

No ordinary psychosis fits this pattern of behavior. No clinical explanation short of brainwashing exists for Chenault's traveling over a thousand miles from his home in Dayton, Ohio to have a psychotic fit in Atlanta. And according to Dr. John Cooper of the Ohio State Education Department, behavior modification is practiced extensively at Ohio State University, where Chenault studied until early this year.

Finally, the *Dayton Journal Herald* reported that a friend of Chenault's said he and the killer were both members of "The Troop," an organization whose purpose was to kill black ministers and civil rights leaders, and that the organization may have been responsible for the murder of two ministers in Dayton earlier this year. A list of ten such persons, including the Rev. Jesse Jackson of PUSH and the Rev. Ralph Abernathy of SCLC, was found in Chenault's apartment after the killing.

In the face of all this, newspapers today published an Associated Press story denying that any conspiracy existed, and maintaining that Chenault was a "lone nut." This story was channeled through an organization, the AP, which is known to make a practice of killing "sensitive" stories on orders from the LEAA and Police Intelligence sources. It followed extensive briefings of press by IPS on the Atlanta killing.

### The Real Conspiracy

The conspiracy to kill civil rights leaders is a CIA cover, providing the context in which black liberals and known counterinsurgency operatives like Jesse Jackson can “legitimately” demand the removal of those “white racist” forces, who, like Atlanta police chief Inman, are blocking LEAA operations in the South. Only six days before the King shooting, Atlanta mayor Maynard Jackson referred to “a plot by a small, conservative group of white, wealthy Atlantans who want to regain control of the city.”

Now that the myth of “southern prosperity” is exploding, as the working class throughout the U.S. and Europe faces a Rockefeller-engineered cut in real income of at least forty per cent, simple “hard cop” club and gun methods will no longer suffice to keep the population in line. Sophisticated psychological warfare and community self-policing techniques are the order of the day, as the CIA struggles to convince each sector of the working class that it is “outsiders,” other members of the class, who are the enemy. The history of LEAA operations in Atlanta which follows reveals the CIA modus operandi race-riot organizing — to achieve fingertip population control under the LEAA.

### The Feud

#### Fall, 1973

At the time of Maynard Jackson’s election as Mayor of Atlanta in October 1973, there had been a long-standing feud raging between liberal black politicians and white police chief John Inman. Instigated by the LEAA, the feud served as a basis for a Jackson power play with the support of an emerging liberal, black middle class constituency.

Over the preceding year and a half, the LEAA had funnelled federal funds for hardware and specialized “hard cop” units into Inman’s force. These high profile LEAA programs — the Anti-Robbery and Burglary Squad and the Helicopter Patrol — served functions similar to those of the LEAA’s STRESS unit in Detroit; they terrorized and angered the black community. At this time, the decoy and special weapons (Special Weapons and Tactical Squad) units of the Anti-Burglary Squad killed 21 people in Atlanta. During the night the Helicopter Patrol swooped low over homes shining flood lights into bedroom windows. In Atlanta, community rage was focused against the city’s police chief, John Inman.

Maynard Jackson was able to capitalize on this anti-Inman sentiment. He became an outspoken opponent of Inman, often attacking the “cronyism” within the police department. The day after his election, Jackson elaborated his pre-election plan to require every Atlanta policeman to live within the city limits. Longtime Atlanta resident John Inman had just moved outside the city limits.

In post-election interviews, Jackson responded to



**The Southern Cop: Tool of the LEAA**

questions about his relationship to Inman and the police force: “I’m going to be looking for results and maximizing the emphasis on productivity. There will be almost no weight given to who is a crony of who.” He added, “I think I’ll turn out to be the best mayor the Police Department ever had.” This scenario is supposed to climax with the ouster of the old-style hardline cops and the consolidation of self-policing under the beneficent direction of LEAA “community relations” cops.

The Fulton County District Attorney’s staff promptly uncovered an assassination plot against Inman. An informer had told the DA’s investigative staff that an unidentified black assassin had a \$15,000 contract on Inman’s life. This information was not released until after the elections so that it would have no effect on the outcome. Inman was reported to be unresponsive to this threat on his life; however, his assistant B.F. McKillop suggested that he “pay a little more attention to such things.” The LEAA was conducting a psychological warfare operation against Inman.



**January, 1974**

Jackson took office and brought in Jule Mayer Sugarman to be his Chief Administrative Officer. Sugarman was drafted from his job as Commissioner of the New York City Department of Social Services and Human Resources Administration. Sugarman came to New York City in 1970, bringing with him 50 experienced business and government executive specialists to revamp the city's Social Services into the Human Resources Administration super-agency. He was to preside over John Lindsay's pacification program for New York City welfare recipients. Prior to that he had spent 20 years in Washington, D.C. administration, including positions with the Bureau of Prisons, the Civil Service Commission, the State Department — Bureau of Inter-American Affairs, the Budget Bureau, and the Office of Child Development, where he was a founder of the Head Start program.

#### **Sugarman's Role in Atlanta**

Sugarman's official responsibility under Jackson was to supervise the new "superdepartments" resulting from a new City Charter which went into effect January 1. His actual assignment was to transform the city government into a vehicle of LEAA population control, much as CIA agent Robert Kiley has worked toward LEAA takeover of Boston as Mayor Kevin White's chief administrator. The new charter mandated the reorganization of city government from 22 semi-autonomous departments. One of these was the Department of Public Safety, encompassing at least the Police, Fire and Civil Defense bureaus. This would relegate Chief John Inman to head of the Bureau of Police Services under a new "super-chief" Commissioner of Public Safety. The persons under consideration for the post indicate what kind of unit this Department of Public Safety was intended to be. The candidates included: John Lindquist, head of the Office of Public Safety's International Police Academy (the IPA is the CIA's training school for foreign police forces); General Frederick Davidson, one of the highest ranking blacks in the U.S. Army and engineer of "race relations" training for soldiers while commander of the 8th Infantry "Pathfinder" Division in West Germany [There is mounting evidence that the racial issue in the U.S. Army was manufactured by the U.S. Army to divert legitimate soldier ferment around the war in Vietnam and other conditions of military life into destructive protests]; and Wesley Pomeroy, head of the U.S. Drug Abuse Council, a close affiliate of the LEAA.

A State Department of Public Safety has existed in Georgia since 1971 when the Georgia State Patrol, the Georgia Bureau of Investigation, the State Crime Lab, and the Georgia Police Academy were consolidated. The former Public Safety Commissioner Ray Pope is now on the LEAA recommendations body, the National Advisory Commission on Criminal Justice Standards and

Goals. Pope had been a Program Specialist for the LEAA, member of the International Association of Chiefs of Police, Chairman of the Georgia Law Enforcement Planning Agency Supervisory Board (LEAA), and a member of the National Council on Crime and Delinquency's Law Enforcement Council.

**February 12, 1974**

A public hearing was held on the reorganization plan at which time Inman stated he would "cooperate" with the new set-up. (*Atlanta Constitution*, April 18, 1974)

**April 17, 1974**

Inman filed a petition for a temporary restraining order to stop the reorganization of the police department. His petition was accepted by the Fulton County Superior Court Judge Jephtha Tanksley. Tanksley ordered the case to be assigned to another judge on April 24 for a hearing. (Inman's petition presently holds up all aspects of the city's reorganization.)

Inman was provoked into the last minute legal action by Sugarman April 15. Sugarman attacked the transfer of two policewomen from the community relations division to the foot patrol as a punitive action. In fact, the women had already been returned to the community relations division when Inman's assistant chief "felt a storm brewing."

Inman responded: "...if the mayor is going to start assigning people in my department, he and I will have to discuss it personally." Mayor Jackson had asked Inman to attend the interviews April 20 to select the new "super-chief" applicants. On April 17, Inman said: "I don't believe I'll go in light of these developments." Inman also confirmed reports that he had given up the idea of becoming the Public Safety Commissioner himself.

During this same period, neighborhood groups throughout the city began holding meetings to protest the police department's Helicopter Squad, and young black members of the City Council Public Safety Committee began a push for a hearing on the department's Decoy Squad.

Sugarman fueled the community protest against Inman. In a major article in the *Atlanta Constitution* April 18, Sugarman indicated he "will think about" whether Inman's legal action was grounds for firing him. "It's the single most discourteous act by a public official I have ever seen." Inman responded: "Is that what he's going to fire me for? Discourtesy?" The article also reported "that the mayor is receiving heavy pressure from black Atlantans to fire Inman, whom they consider an adversary."

**May, 1974**

Early in May, Jackson suspended Inman and appointed white police captain Clinton Chafin. When Chafin came to the police headquarters to assume his job, Inman met him with a squad of his armed lieutenants. Sources in Atlanta report that a violent scuffle ensued "stopping just short of guns."

Significant is the effect of these events throughout

Georgia. Both the State Legislative and judicial systems have been polarized around the "Inman issue." While a good portion of Atlanta (which is mostly black) is up in arms around Inman, he has managed to muster support outside Atlanta. In fact, Inman did get support of the courts in granting the restraining order and a move was reported among the state legislators to limit Atlanta's home rule because of the Inman affair.

**June 23, 1974**

Several hundred blacks led by Reverend Hosea Williams demanded the ouster of "white racist" police chief John Inman in the wake of the killing of a 17-year-old black youth by Atlanta police. Williams is a leader of the Southern Christian Leadership Conference (SCLC) in Atlanta. The police involved in the incident were all black.

The first demonstration Sunday, June 23, resulted in several dozen arrests when marchers failed to disperse.

The second demonstration held June 26 after the youth's funeral ended in a brief battle with police when again the marchers refused to disperse. About a dozen protestors were jailed, including Reverend Williams.

Several hundred blacks marched peacefully June 27 through downtown Atlanta. According to the *New York Times* June 28, the leaders of the demonstration said it was peaceful only "because Maynard Jackson issued an executive order approving the mile-long march."

Normally march permits are issued by the police.

Mayor Jackson blamed the June 26 disturbances on Chief Inman. "He must supervise his own department and he didn't do it. There was an overreaction by police." Inman's response: "We had to cope with a lawless, irresponsible, and unruly segment of society." The article referred to Inman's refusal to leave office as precipitating the hottest racial crisis in Atlanta in almost a decade.

#### **CIA's Fall Race Riot Plan**

The Atlanta situation comes in the context of the announced plans of the CIA to provoke race riots and other urban violence in thirty cities, particularly in the fall around the school busing issue. These plans were unveiled by Ben Holman, Director of Community Relations for the Department of Justice, who said June 1, 1974: "It's not going to be a long hot summer; it's going to be a long hot fall." (*Washington Star-News*) Holman "predicted" racial disorders over school desegregation in thirty mostly Northern cities when school opens in the fall. Holman's proclamation insisted "trouble will occur regardless of which way Congress moves on proposals to limit busing of children for purposes of racial balance." (See "The Busing Plot," IPS, this issue.)

**In this context, the killing of Mrs. Martin Luther King, Sr., June 30, can be understood as a planned assassination by the domestic "Dirty Tricks" section of the Central Intelligence Agency.**

# IPS exclusive investigation on watergate

## Rockefeller-CIA Cabal's Watergate Impeachment Conspiracy

### Part VI: The Hard Evidence for the Rockefeller/CIA Watergate Set-Up of Nixon An Examination of the Public Record

July 6 (IPS) — The evidence on the **public record** after over two years of investigation of the Watergate affair and the cover-up of this evidence not only fails to support contentions of President Nixon's culpability in those matters but also makes an excellent case for the existence of a CIA conspiracy against constitutional government **before, during, and after** the Watergate burglary.

Herein we review for the reader the critical public testimony and publicly available documents bearing on the CIA's role in the entire Watergate affair from the Senate Watergate hearings, the Senate Watergate Committee's minority report (the Baker Report), the House Judiciary Committee investigation, relevant court proceedings, etc. An objective analysis and appraisal of the evidence thus far developed will strongly support the conclusion that a major CIA plot exists to subvert and destroy the constitution and government of the United States.

To facilitate that analysis and appraisal of the evidence we have divided this review into four parts (with appropriate subdivisions):

- I. The Central Intelligence Agency and Their Plumbers;
- II. The Central Intelligence Agency Lays the Responsibility at the President's Door;
- III. The Central Intelligence Agency Cover-up;
- IV. The Rockefeller Inside Job.

#### I. The CIA And Their Plumbers

*Nixon let his role "hang out"*

In his speech of May 22, 1973, President Nixon revealed that he established a Special Investigations Unit (later known as the "plumbers") in the week following the publication of the Pentagon Papers by the *New York Times*, the purpose of which unit was "to stop security leaks and to investigate other sensitive security matters." According to Nixon, "I did not authorize and had no knowledge of any illegal means to be used to achieve this goal." Nixon further stated that "the work of the unit tapered off around the end of 1971...these intelligence activities had no connection with the break-in of the Democratic headquarters, or the aftermath."

*CIA's E. Howard Hunt infiltrated Special Investigations Unit; pushed illegal activities*

The evidence on the public record strongly supports Nixon's claim. The man who first suggested that the Special Investigations Unit engage in illegal activities was

E. Howard Hunt, not originally a member of the unit, and a man who, as we shall see, was actually in the employ of and acting under orders from the Central Intelligence Agency during his entire association with the Special Investigations Unit. According to Charles Colson in press accounts this past week, CIA agent Hunt used their friendship to move in on the Special Investigations Unit and push illegal covert operations such as the Ellsberg break-in.

March 7, 1974, indictments were handed down by a federal grand jury against six men for "19 overt acts" in the break-in at the office of Dr. Lewis Fielding, Daniel Ellsberg's psychiatrist. Listed by the Grand Jury as "overt act #2" is the following:

"On or about July 28, 1971 E. Howard Hunt, Jr. sent a memorandum to Charles W. Colson entitled 'Neutralization of Ellsberg' which discussed a proposal to 'obtain Ellsberg's files from his psychiatric analyst'."

*Hunt recruited more CIA agents;  
they executed Fielding & Watergate break-ins*

In all accounts the men who actually carried out the break-in — G. Gordon Liddy, Eugenio Martinez, Bernard Barker, E. Howard Hunt, and Felipe de Diego — were recruited for this effort by Hunt and acted under the leadership of Hunt and Liddy. All but Felipe de Diego were later arrested at Watergate, where they were joined by James McCord, a 19-year CIA veteran who was head of Internal Security at the CIA when he "left" the agency, and Frank Sturgis, a CIA operative in the Bay of Pigs invasion. Barker was also a CIA contract employee for the Bay of Pigs operation, while Eugenio Martinez was on the CIA payroll throughout the Fielding-Watergate period.

The Baker Report, released July 2 and since then almost completely distorted and covered up in the bourgeois press, presents overwhelming evidence that E. Howard Hunt was still acting as a CIA agent under CIA directives from the time he left official CIA employ in 1970. This is only one of the many important matters bearing on CIA involvement dealt with in the Senate Watergate Committee's minority report. The Baker Report is **based almost exclusively on the testimony wrung from CIA officials and agents [and their secretaries] in Executive Session and painstaking examination of whatever records, documents, and**

**memoranda the committee could force from CIA hands** while being lied to, deceived, and put off throughout its sessions.

*Hunt and CIA agent Robert Bennett coordinated plumbers for CIA from Mullen & Co., CIA front*

The Baker Report established that E. Howard Hunt "left" the CIA in 1970 and joined Mullen and Company, a Washington-based public relations firm which since its incorporation in 1959 has maintained a relationship with the Central Intelligence Agency. Company founder Robert Mullen testified that Hunt's placement at Mullen was at CIA Director Richard Helms' insistence and a CIA memorandum for the Deputy Director of Plans revealed that Hunt's covert security clearance was extended by the CIA. Hunt was himself cognizant of the cover and according to Agency records undertook negotiations with respect to that cover even after becoming employed at the White House.

Robert Bennett joined Mullen and Company and became its President in early 1971; shortly thereafter, in April 1971, he was introduced to the Mullen CIA case officer. Bennett worked with Hunt-Liddy from his Mullen cover on a whole host of "special operations" including — to mention only a few — the release of Dita Beard's statement from Denver, the DeMott interview regarding Chappaquidick, the employment of political spy Thomas Gregory (scheduled to participate in Watergate bugging but refused), the dummy committees set up as a conduit for Howard Hughes' campaign contributions, and coordination of the contact between Hunt and Liddy during the two weeks following the Watergate break-in. Jack Anderson claimed June 24 that Bennett, whom he identifies as a CIA agent, knew about plans for the Watergate break-in "three days" before it came off and so testified to Baker (though it is not in the report).

Bennett's role as a CIA agent and their key liaison for the Agency to Hunt is made even clearer by a July 10, 1973 CIA memorandum detailing his reports on Watergate matters to his CIA case officer, his successful Agency directed efforts to "kill off" legal action by the Democratic National Committee against the CIA, and the fact that the CIA picked up half his legal fees for a Grand Jury appearance. CIA agent Bennett's role in the further CIA cover-up and in foisting the blame onto Nixon is detailed in later sections.

#### **CIA Planned Ellsberg Psychiatrist Break-In**

The Baker investigation also established that the CIA had advance knowledge about the Fielding break-in and assisted Hunt and Liddy in pulling it off. From Hunt's July 22 meeting with Cushman, then Deputy Director of the CIA, to the CIA's alleged "termination" of support for Hunt August 27, the CIA technical staff met with Hunt on four separate occasions at CIA "safe houses." These were the meetings where Hunt was provided with CIA equipment and assistance: a wig, fake glasses, a Uher 5000 tape recorder, phony driver's licenses, and identification cards, preliminary steps toward a phony

New York telephone answering service, and the development of film of Hunt and Liddy's reconnaissance trip to Los Angeles to "case" Fielding's office.

*CIA's cover-up of its conspiracy began July-August 1971*

It was on August 27, 1971 at the conclusion of these CIA preparations for the Sept. 3, 1971 Fielding break-in that the Agency implemented phase one of its devious plan to cover its actual role and begin the set-up of Nixon and his circle. The man tapped to start the ball rolling in behalf of this CIA scheme was then Deputy Director of the CIA, Robert Cushman. According to testimony presented by John Ehrlichman, supervisor of the Special Investigation Unit, before the Intelligence Operations Subcommittee of the Senate Appropriations Committee on May 30, 1973, he (Ehrlichman) received a phone call from Cushman in late August 1971 saying that E. Howard Hunt "was receiving aid from the Agency which was becoming politically awkward." Ehrlichman stated that he asked Cushman whether Hunt was acting for the Agency or the White House. Cushman responded the White House but said he didn't know what Hunt's assignment was. Ehrlichman describes himself as being "genuinely perplexed" as he had had no contact with the CIA requesting assistance for Hunt.

Before the House Armed Services Subcommittee hearings May 11, 1973 Cushman, of course, testified



**Robert Cushman**

that Ehrlichman called him July 7, 1971 requesting the CIA to provide "assistance to Hunt." Ehrlichman recalled no such phone call and called the apparent contradiction "most troubling." "I can say flatly that I do not have the faintest recollection of having [called the CIA to request assistance for Hunt]." Ehrlichman

stated. "I can say with assurance that any call to the CIA is the kind of call that I usually have little or no difficulty in remembering...one does not invoke CIA aid lightly, at least I never did. I only did so a total of three times that I can recall...."

Ehrlichman added that July 7 was the day he first met Hunt during a "brief introductory meeting" and later that day he left for the western White House." As of then," Ehrlichman went on, "I knew of no reason for Hunt to have CIA aid."

If the Government's case against Ehrlichman now being tried in federal court is to be taken at all seriously, then Ehrlichman's version of events is completely borne out. It was not until July 28, 1971 according to the Grand Jury indictments that Hunt's memo to Colson suggesting a covert operation against Fielding was even written and it was not even accepted for another week. Yet, Aug. 2, 1973 Cushman testified before the Senate Watergate Committee that Hunt met with him July 22, 1971 telling Cushman that he was on a "highly sensitive mission" to get information from "an individual whose ideology we aren't entirely sure of for 'a one time operation, in and out.'" Conveniently, the conversation was "tape recorded" and a transcript of the meeting (introduced as evidence) written up — the only "tape recording" the CIA was to "admit" to up until then and for some time thereafter.

Cushman testified that July 22, 1971 he authorized the technical services division to provide Hunt with the physical disguise and phony identification he requested for the "one time in and out" operation.

*Baker Committee exposed new CIA cover-up  
when Cushman forgot his lines*

If this wasn't telling enough, the CIA outdid itself when it produced (in February of this year) for the Baker committee a "recently discovered" transcription of a portion of the Ehrlichman/Cushman telephone conversation. It was "discovered" during the Executive Assistant to DDCI's third search for Watergate-related materials located in the same file as the Cushman/Hunt transcript. Interestingly, only the Ehrlichman portion of the conversation was transcribed contrary to usual practice. It quotes Ehrlichman as saying that Hunt was working for the President and that the CIA was to give Hunt "carte blanche." While ex-Deputy Director Cushman's secretary (now William Colby's secretary!) says she was told that Mr. Cushman did not have his calls monitored, she did, in fact, monitor certain of his calls anyway, especially with people at the White House without Cushman's knowledge!

This crude and desperate ploy hardly set Baker off the track, especially since the Labor Committees briefed Baker and revealed the modus operandi of the cabal's conspiracy. March 6, 1974; moreover, ex-Deputy Director Cushman forgot his lines or had not been

briefed on the latest development: in Executive Session he did not recall any reference to the President or to "carte blanche"!

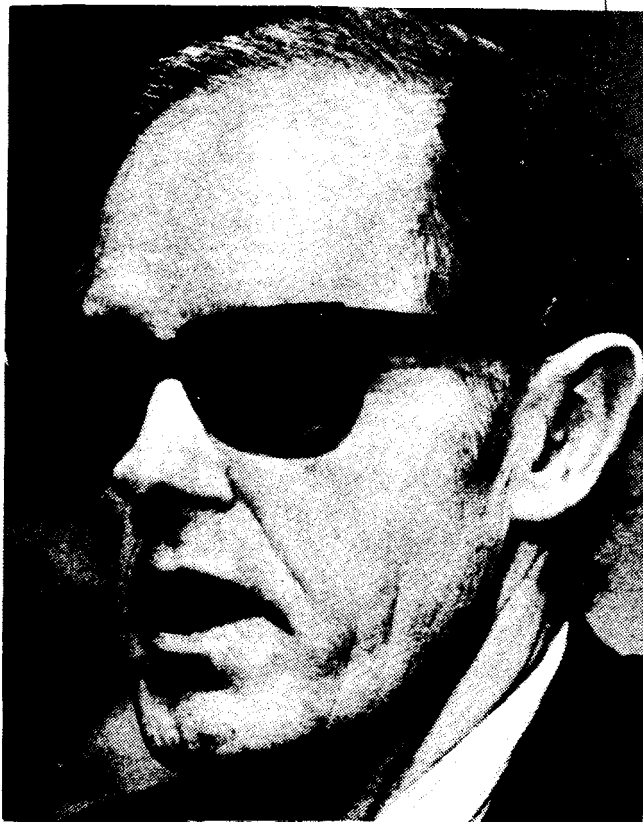
The only reasonable conclusion to draw from all this is that the CIA planned the Fielding "special operation ;" cleverly covered their tracks with a contrived taped conversation while already preparing at some future time to throw the thing onto Nixon, Haldeman, Ehrlichman, and company; and that they then had their agent Hunt sell the plan for the break-in to the Special Investigations Unit. The Labor Committees have documented fully elsewhere that the Pentagon Papers were a CIA Hoax and that Daniel Ellsberg himself is a CIA agent.

The Baker Report develops even more damaging evidence along the same lines. Contrary to previous CIA testimony, a CIA technician who was questioned in Executive Session admitted that CIA supervisory officials approved **each and every** Hunt request for technical aid and that Hunt introduced Liddy to him in early August for provision of false identification and disguise. (The top CIA officials previously had given as a reason for their "termination" of support for Hunt that he had introduced Liddy unannounced in late August.) Similarly, testimony and documents also revealed that Agency officials had lied when they claimed that Hunt's request for a "backstopped" telephone was so unreasonable that it was immediately disapproved and was a leading cause of "terminating support." One document even gives the relay number!

More important, recent testimony also revealed that the CIA established a special file on Hunt's activities called the "Mr. Edward" file which was turned over to Colby after the Watergate break-in and which the CIA refuses to release to the committee.

The minority report also established from CIA technicians' testimony that the film of Hunt and Liddy's "casing mission" was developed by the CIA, was in fact of Dr. Fielding's office (!), and was reviewed by Deputy Director Cushman and his assistant before being returned to Hunt!

Hunt, who CIA Director Allen Dulles once described as "my right-hand man" and "my personal assistant," of course, was hardly "terminated" August 27, 1971 as the Agency claimed in previous testimony. In fact, he had, as the Baker report establishes, extensive "contact" with the Agency thereafter. Hunt, a psywar and covert operations specialist, played a large role in helping the CIA develop the psychological profile of Ellsberg, completed November 1971. It is not at all unusual for the CIA to monitor the psychology of its agents (in this case Ellsberg) especially when they are on important missions and under great stress. In fact, it is well-known that the Agency has an internal security team of "spies" whose task is to watch other agents. But, the main CIA benefit of the operation was to be working both sides of the fence, building their man Ellsberg up into a persecuted peoples' hero while leading President Nixon and his crew toward their programmed ruin.



E. Howard Hunt

In addition, testimony and record revealed at least seven more occasions after August 27, 1971 on which Hunt requested and received CIA "support" for a whole range of "special operations."

Another area Senator Baker and counsel Fred Thompson explored was Hunt's relationship to Eugenio Martinez, employed by the Agency in Miami. When the CIA's Miami Chief of Station (COS) became aware soon after the Fielding break-in of his agent's ongoing contact with Hunt (who Martinez told him "worked with the White House"), the COS anxiously contacted CIA headquarters to be filled in only to be told to "cool it." This treatment is an ongoing pattern during this period — the CIA's chief psychiatrist who worked with Hunt on the profile of Ellsberg received similar advice in answer to his queries.

Finally, the actual arrest at Watergate, while not yet the subject of a serious probe in any of the investigations has all the earmarks of an obvious set-up job. It would be hard to duplicate such amateurism or draw such a graphic map for the police — unless some professional "plumbers" really tried. Of course, not all of the plumbers were **inside** men on the job, fully aware of the whole conspiratorial plan to impose military rule. Certainly McCord, Hunt, and quite possibly, Liddy were keyed in to the real goals of the operation.

## II. The CIA Lays the Responsibility at the President's Door

*CRP official Mardian  
summed up Nixon & Co.'s view  
right after Watergate break-in*

Robert Mardian, a leading official in the Committee to Reelect the President, appearing before the Senate Watergate Committee July 19, 1973, summed up the view held by Nixon, Haldeman, Ehrlichman, Colson, Dean, etc. right after the Watergate break-in. Rejecting as untrue John Dean's testimony to the Ervin Committee that Mardian suggested soon after the break-in that the CIA could help with the cover-up and that the FBI was being too aggressive in its investigation, Mardian said he **believed then that the CIA was involved, and "I may have said it's a CIA problem."** With respect to the FBI probe, Mardian said of Dean, "On that score, he's dead wrong."

*Nixon cover-up — for CIA!*

Nixon, Haldeman, Ehrlichman et al. strongly suspected that the Watergate break-in was a CIA covert operation that had "screwed up" and therefore "national security" demanded that the Agency be protected and covered for! **If Nixon is guilty of a cover-up it was covering up the responsibility of the CIA for the Watergate break-in!** Further, Nixon's own self-interest demanded that the CIA be protected in this instance for he did not want to compromise the former work of his own Special Investigations Unit, even though he was almost completely unaware of the CIA's subversion of the unit and the dirty tricks mode of operation that many of his own loyalists had adopted.

*CIA fed leaks to its friends in press:  
conspiracy to get Nixon*

Not yet recognizing that they had been set-up for the kill by a sophisticated CIA-Rockefeller inside-outside psywar job, Nixon's aides approached the CIA in the spirit of helpfulness and accomodation. After all, Haldeman, Ehrlichman, and especially Dean had a mutual self-interest in getting Watergate off the front pages to protect their own dirty tricks involvement — unknown to Nixon — in the Committee to Reelect the President affairs. It was in this spirit that Nixon's aides sought to protect, for example, CIA assets in Mexico from compromise by the FBI investigation. They hardly suspected that they were playing straight into their enemies' hands — the CIA would soon claim that Nixon was "trying to lay Watergate at the CIA's door" and/or induce it to "participate in a cover-up of Watergate"!

While Nixon was busy still covering for the CIA, the cabal was hardly being so kind to him. According to the Baker report based on a CIA internal memo for the Deputy Director of Plans, that ubiquitous CIA agent Robert Bennett "was feeding stories to Bob Woodward"

[of the *Washington Post's* Woodward and Bernstein Watergate expose team — Ed.] who was "suitably grateful"; that Woodward was making no attribution to Bennett; and that he was protecting "Bennett and Mullen and Company."

The same Robert Bennett was responsible for yet another insidious coup in the CIA game plan to destroy Nixon. According to the Baker account (based on the interrogation of Bennett), Robert Oliver, father of R. Spencer Oliver, Jr. whose telephone was tapped at the Democratic National Committee, was a Bennett associate and Mullen's Washington lobbyist for Hughes Tool. Bennett met with the Olivers after the break-in to discuss the bugging. Not surprisingly, R. Spencer Oliver filed a five million dollar suit against Nixon and Committee to Reelect the President (CRP) officials shortly thereafter!

*McCord's psywar attack headed off  
Nixon expose of CIA culpability*

Perhaps the CIA's most audacious psywar move in the year following Watergate was made by agent James McCord and immediately carried on the front page of the cabal's leading press organ the *New York Times*, May 8, 1973. McCord, using Hitler's Big Lie technique, charged that his lawyer Gerald Alch on two occasions before his trial had tried to get him and his co-conspirators to say that they were working on a covert CIA operation when they were arrested. The self-righteous and enraged McCord said he was convinced that the White House was behind the move "to lay the operation at the CIA's doorstep."

McCord's psywar maneuver was successful. By appearing outraged that anyone could suggest that the pure and good CIA could have done the Watergate job, McCord undercut the only fighting defense of the timorous Nixon forces; deviously covered up for the CIA; and threw the CIA's opponents on the defensive. The fact that Alch had made no such suggestion to McCord or the other defendants led him defensively to make heated denials. He accused McCord of lying, and at one point he challenged McCord and his new (CIA-connected) lawyer Bernard Fensterwald to submit with him to Senate Watergate Committee-administered lie detector tests (a challenge from which McCord and Fensterwald backed down).

But Alch did not blow McCord's psywar gambit. He failed to point out that, although he (Alch) had not in fact suggested that defense, it was nonetheless true that Watergate was a CIA covert operation. Thus, Alch followed his CIA "psychological profile" and played right into McCord's hands. The false question posed to the public was: did or did not Alch try to blame the Watergate affair on the CIA?

McCord and the cabal with turncoat John Dean as a new "convert" kept the pressure on. On May 22, 1973, with President Nixon scheduled to give a major address

that evening, McCord unveiled to the Senate Watergate Committee an unsigned letter he had written to John Caulfield during the Week of December 25, 1972:

"...If Helms goes and the Watergate operation is laid at the CIA's feet where it does not belong, every tree in the forest will fall. It will be a scorched desert. The whole matter is at the precipice right now. Pass the message that if they want it to blow, they are exactly on the right course. I'm sorry that you will get hurt in the fallout."

*Nixon backed down  
from exposing CIA set-up*

*Time* magazine this past week quotes Charles Colson as saying: "The President is scared as hell, especially when he's weak and under attack. He's afraid to alienate the military or foreign policy establishments....Before the White House could take any counter-action our whole house of cards collapsed."

On the evening of May 22, 1973 Nixon once again capitulated to the CIA forces and their latest psywar campaign. While telling the truth about his own motives and his own non-involvement in Watergate, he backed off from confronting the CIA and, in fact, continued his pathetic course of covering for and accommodating to them. Describing the days after Watergate Nixon stated:

"Within a few days, however, I was advised that there was a possibility of CIA involvement in some way. It did seem to me possible that, because of the involvement of former CIA personnel, and because of some of their apparent associations, the investigation could lead to the uncovering of covert CIA operations totally unrelated to the Watergate break-in...."

"In addition, by this time, the name of Mr. Hunt had surfaced in connection with Watergate, and I was alerted to the fact that he had previously been a member of the Special Investigations Unit in the White House. Therefore, I was also concerned that the Watergate investigation itself might well lead to an inquiry into the activities of the CIA itself...."

"I also had to be deeply concerned with ensuring that neither the covert operations of the CIA nor the operations of the Special Investigations Unit should be compromised."

"In summary then:

... (4) Elements of the early post-Watergate reports led me to suspect, incorrectly, that the CIA had been in some way involved."

*Labor Committees broke controlled environment  
in January 1974 — Nixon counterattack, Baker Report,  
Colson revelations followed*

It was not until the Labor Committees' dynamic intervention in Washington beginning in January 1974 that the controlled environment around the Oval Office and on Capitol Hill was at least partially broken. By explaining how Watergate was but an aspect of a CIA-Rockefeller conspiracy to destroy constitutional

government and impose 1984-style fascist rule in Western Europe and North America, the Labor Committees' explained reality to the confused and befuddled victims of CIA psywar. With the Labor Committees in the lead creating a new political and psychological environment, the Baker investigation got off the ground. Nixon finally began to go on the offensive and generate some momentum, and Colson made his revelations.

#### **The CIA's "Hush Money" Set-Up**

*CIA agents Hunt and O'Brien tried to set Nixon up on "hush money"*

The CIA plot to bring Nixon down relied in great measure on being able to set him up to appear to be covering up the Watergate affair. A major CIA thrust in this direction began with agent E. Howard Hunt's blackmail threat in March 1973 to expose some of the seamier things he had done for the White House unless his legal defense costs were met by the White House. The Hunt demand was carried to the White House via lawyer Paul O'Brien who conveyed it to John Dean who brought it up with Nixon. Although, as the White House transcripts clearly show, Nixon did not fall for the bait (described by Dean as "hush money") the CIA cabal, using Dean as its spearhead, launched a major psywar campaign to create the impression that Nixon had sought to buy Hunt's silence.

Now, the Baker Report reveals that Paul O'Brien, the one-time Committee to Reelect the President lawyer who served as a middle man in the "hush money" set-up is almost certainly a CIA agent.

The Baker Report, heavily censored by the CIA before its release, contains the following item under the section entitled "Miscellaneous — 'Action Required'." The section suggests materials the Baker committee could not obtain which are necessary to complete a competent investigation of the CIA's role in the whole Watergate affair:

*"Any and all CIA files pertaining to attorney [name deleted at Agency request] and/or his law firm from this the period January 1971 to the present. While CIA has confirmed that [attorney] is a former case officer and that [potentially significant information deleted at Agency request] during the period of time that [attorney] served as Counsel for CRP, contact reports and memoranda must be reviewed in raw form before a determination can be made as to the impact of the aforementioned facts."*

That the attorney whose name is deleted in the above is Paul O'Brien is made clear in the CIA's cover-up statement "CIA Comment on Senator Baker's Revised Staff Report 'CIA Investigation' " released simultaneously with the Baker Report. With reference to the above paragraph in the Baker Report the CIA states:

"CIA did not have any contact with Mr. Paul O'Brien after he left its employ in 1952."

In a brilliant move last week, Nixon counsel James St. Clair appealed to the House Judiciary Commit-



**Richard Helms**

tee to call Paul O'Brien, John Dean, and one or two other witnesses (friendly to the cabal) to testify. St. Clair, in going on the offensive against the CIA forces, is exposing the bankruptcy of the CIA's case against Nixon, including the pivotal "hush money" issue — using the cabal's own mouthpiece to establish Nixon's innocence! This counteroffensive, coupled with the coordinated Colson expose of the CIA, is turning the impeachment situation around.

#### **Part III. The CIA Cover-Up**

*Real cover-up was by CIA*

The CIA's conspiracy to throw responsibility for their crimes onto Richard Nixon, a crucial aspect of their broader conspiracy to destroy the Presidency and other government institutions in order to impose fascism from above in the United States, is only part of their cover-up of that broader conspiracy. To hide their plot to destroy the constitution and government of the United States, the CIA has engaged in an enormous cover-up of their Watergate and related activity in addition to covering their tracks by laying responsibility for Watergate at the President's door.

The Baker report brings to light some of the key features of the CIA cover-up efforts. Most of Baker's initiatives that led to exposing this plot occurred following the Labor Committee intervention in Washington in January.

#### **Destruction of Tapes**

*CIA destroyed tapes to hide its conspiracy*

In February of this year, Baker questioned Former CIA chief Richard Helms' secretary and several CIA technicians in Executive Session. During the course of the questioning, it was established that then-CIA chief Helms ordered the destruction of all existing CIA room tapes in January 1973. January 22, 1973 is the likely date on which his order was carried out. This action followed shortly after Senator Mike Mansfield sent a letter to Helms requesting CIA tapes January 16.



1973.

CIA officials have tried to cover for their wholesale destruction of evidence by claiming that they periodically destroy their tapes. Actually, only once before, as the Baker Report establishes, has the CIA destroyed any Agency tapes. In January 1972, an order was issued to destroy the CIA tapes for the specific years 1964-65.

Helms' January 1973 order applied to the destruction of all of the tapes of CIA room conversations in existence — which had been monitored for years through the CIA's central taping system. Under questioning, however, Helms' secretary admitted that she was ordered to destroy all of the transcripts of Helms' telephone conversations as well — and that among the telephone transcripts destroyed were conversations with Nixon, Haldeman, Ehrlichman, and other White House officials.

In addition, the summaries of logs made available by the CIA to the Baker minority committee often do not make clear who is speaking, or refer to "Mr. X." Baker was able to establish that there were numerous gaps in the CIA's actual logs.

In the light of this CIA performance which occurred even before the existence of a White House taping system became publicly known, there exists the possibility, although there is no hard evidence to prove it, that one of the cabal's "inside men" could be responsible for the doctoring of White House tapes (e.g., the 18-minute gap). The desire to deepen the set-up for Nixon on the cover-up rap and/or the need to erase a conversation embarrassing or damaging to the CIA would constitute sufficient motivation.

Fred J. Buzhardt, the Presidential Counsel who sabotaged Nixon's defense by his incompetent, feeble, and bungling performance is a likely candidate. Buzhardt admitted listening to and handling all the tapes while preparing an "index and analysis" for Judge Sirica; yet he could provide no explanation for the gap. Buzhardt stated that "the gap did not appear accidental," that "it looks like a serious thing," and that "it should be investigated by a grand jury," hardly the posture of a defense lawyer working in his client's interest. Furthermore, Buzhardt is identified by Colson as one of the men surrounding Nixon who is in actuality loyal to the cabal out to get Nixon. (Buzhardt was general legal counsel at the Pentagon in 1970 before moving into the White House.) Nixon fired Buzhardt as his Counsel shortly after his incredible performance with the tape gap issue.

#### *Lower-level CIA agents.*

*not in on CIA conspiracy, also covered up*

In some cases, CIA cover-up moves were initiated, without directives from their superiors, by middle and lower level CIA operatives who were not in on and did not understand the real nature of the conspiracy being directed by top CIA officials. The Baker Report notes, for example, that the security research staff was in a "state of panic" over McCord's arrest. This produced certain complications.

Like the aforementioned Agency psychiatrist perplexed by Hunt's strange pre-Watergate activities

(he testified before Baker that Hunt told him not to "reveal my presence at this meeting" and "don't worry, I'm on good terms with Cushman and Helms"), many lower-level CIA agents thought the Agency had been compromised by what they took to be a breach of Agency discipline — not to mention unbelievable bungling in the Watergate break-in.

Thus, Lee R. Pennington, identified by Baker as a domestic agent of the CIA, went to the house of agent James McCord shortly after the break-in, and destroyed McCord's personal papers and CIA records.

The CIA was forced to try to cover for this impulsive act. In August 1972, the CIA sent the FBI on a wild goose chase when the latter inquired about agent Pennington and his activities. According to the Watergate minority committee, the CIA sent the FBI to interview a former employee with a similar but different name and then proceeded to remove material on Pennington from Agency files. Many of the middle and lower level employees who "pulled a Pennington" were quietly retired from CIA or received transfers to other Agency sections.

#### **FBI et al. Child's Play**

*FBI was on CIA's trail  
after Watergate break-in*

Handling the FBI in its investigation of the Watergate affair proved a relatively easy task for the CIA. The psychologically shattered former FBI Director L. Patrick Gray's painful testimony before the Senate Watergate committee Aug. 3, 1973 revealed how the CIA had toyed with him and Nixon's inner circle like children. Since Gray at that point had no vested interest, his testimony, while pathetic, is at least honest.

Gray's first impression of the Watergate break-in, formed in consultation with his Asst. Deputy, General Investigative Staff, was quite correct — Watergate was a CIA covert operation. Five days after the break-in Gray called Helms and politely warned him that in investigating Watergate the FBI thought it might be "poking into a CIA operation." Helms, of course, denied CIA involvement and said that "we can't figure out what's going on."

The CIA received a real boost with the FBI's first big "break." The Bureau stumbled upon the bank account of "former" CIA operative Bernard Barker, an arrested Watergate burglar. This led to the Bureau's discovery that a \$25,000 check associated with Kenneth Dahlberg and four checks drawn on a Mexican bank payable to Manuel Ogarrio, in the amount of \$89,000 were deposited in the Barker account. Gray told John Dean about the FBI find and hypothesized that it might be a "CIA money chain."

In reality, of course, it was a CIA money chain. It was no accident that Barker's bank account was the last link in the chain — nor that he was arrested. Even the bullet-heads in the FBI would check the Watergate bank accounts. Moreover, the CIA had so thoroughly

penetrated the CRP [lawyers, plumbers, financiers, etc.] that in large part they controlled its policy and operations. Just as they had insinuated "covert operations" into CRP through Hunt, Barker, McCord et al., they had also introduced normal CIA "laundering" practice into CRP fundraising operations.

*Ehrlichman, Haldeman, and Dean  
compromised by CIA set-up*

John Dean knew that this money was a "hidden" political campaign contribution and that top CRP officials like Maurice Stans had helped arrange it. Panicking, he fell into the CIA's carefully baited trap. All he could think of was how an FBI investigation would ultimately get to his door. He ran to Haldeman and Ehrlichman with the news.

The gaggle around Nixon found themselves compromised. They immediately sought to cover their tracks and protect their boss from the potentially disastrous situation they had without his knowledge helped to create. Haldeman and Ehrlichman told Nixon about the FBI discovery. Nixon instructed them to meet with Helms and Walters with the basic purpose of **safe-guarding** CIA operations at home and abroad, which Nixon now felt sure were seriously threatened because of the CIA's blown Watergate job. As his speech of May 22, 1973 indicates, he was also concerned lest "his" secret Special Investigations Unit, which he had set up to deal with national security matters because he couldn't trust the FBI and CIA (see Part IV), be revealed. Nixon was covering up for the CIA!

Haldeman and Ehrlichman suggested to Helms and Walters June 23 that Gray be made aware of Nixon's concerns, including that the CIA operations and assets in Mexico not be compromised.

*CIA psychological profile  
predicted Nixon & Co.'s response;  
CIA phase-one plan: get Nixon inner circle*

The CIA had fully expected, from a reading of their psychological profiles, that this would be the response of Nixon and company. They know they could count on Nixon, because of his patriotism, his awe and real fear of the CIA and the Establishment, and his relative naivete to try to accommodate to the very CIA forces that were out to destroy him! Further, of course, the Watergate break-in, the money chain, etc. were designed in the CIA's conspiratorial scheme to confuse, compromise, and frighten Nixon and his gaggle so that they would play right into CIA hands. **The CIA set about phase one of their post-Watergate operation — destroy Nixon's inner circle as a means of completely isolating him in an aversive controlled environment, where he would be easy game.**

*CIA's Vernon Walters  
set up Nixon crew and FBI*

Deputy CIA Director Walters, of course, seized the opening on the afternoon of June 23 to ingratiate himself with Gray and form the basis of a "professional" relationship. According to Gray, Walters told him that there existed "an agency agreement under which the FBI and CIA have agreed not to uncover and expose each other's sources." This, of course, also served to divert Gray from an investigation of the CIA and produce tremendous conflict and anxiety in him since all FBI leads were pointing directly at the CIA. Gray remarks that "I had not read this agreement, and still have not, but it seemed to me logical at the time." Walters in a master stroke then told Gray that the FBI was likely to uncover some CIA assets or sources if they continued their investigation into the "Mexican money chain." In his memo of the meeting, Walters wrote: "his [Gray's] problem is how to low key this matter now that it was launched."

Meanwhile, Gray's testimony reveals how John Dean was acting out precisely his CIA "program." On about 10 occasions during the next week, the frightened Dean called Gray pleading with him not to pursue the Mexican money chain matter.

At the same time, Dean made a number of visits to Walters. Walters' carefully written memos of their conversations (designed for later public release in the CIA's psywar campaign) nonetheless reveal how the CIA was psychologically toying with a confused and cornered John Dean. Walters describes Dean as "casting about desperately" and "pressing me for ideas." Dean hints that perhaps the break-in was organized by the CIA. Walters cockily says no and that there's no way to implicate the Agency in this. Dean, not yet convinced, suggests that maybe the CIA could pay the bail of the burglars who were "wobbling." Walters answers that this would be a disservice to the President and the Agency, which must remain apolitical and clear of political disputes, etc.

*FBI closed in on CIA;  
Walters furthered cover-up*

As the FBI investigation proceeded all fingers kept pointing to the CIA. June 27 Gray on his own initiative called Helms, suggesting that he still wanted to interview Ogarrio — did the CIA have an "interest" in Ogarrio? Helms called back "after checking" and stated that the CIA had no involvement in Watergate and no connection with Ogarrio.

In a phony memo which Walters wrote of another call from Gray shortly after that time, the CIA reveals how it was planning to deal with any possible FBI expose of

their role in Watergate. The July 5 memo states in part: "Gray said that the pressures on him to continue the investigation were great...he said he had talked to John Dean." At the Watergate hearings, Gray vigorously denied that he had said any such thing or that he had mentioned Dean in this context. In fact, as we have seen, the **opposite** was the case. The only "pressure" to push an investigation of the CIA, as Gray testified, was coming from his subordinates in the FBI, who were coming across links to the CIA everywhere they looked. The set-up in the July 5 Walters memo which was to become a recurrent theme (e.g., McCord) is clear: "Nixon is trying to cover up by laying the blame on the CIA."

Despite sabotage from both the Nixon gaggle and the CIA, Gray and the FBI were making some progress. Gray told the Senate Watergate Committee:

*On Wednesday, July 5th at 5:54 p.m. I telephoned General Walters. My contemporaneous notes on this call read as follows:*

*"TCT General Walters*

*"[Dick Walters]*

*1. "I will need a request in writing rather than the verbal request to refrain from interviewing Ogarrio and Dahlberg because of CIA interest.*

*"2. Position of developing investigation indicates there is CIA involvement in that some of these men have been used by CIA in part & there is indication some are currently being used; there is the dollar chain either CIA or political; I do not want to uncover and surface a CIA national operation in pursuing these leads, but I must for the record have in writing from CIA a request to refrain on the basis of national security matters or I must proceed.*

*"3. He stated that he would respond not later than 10 a.m. tomorrow.*

*"4. I said that I would order the interviews if I did not have the writings by 10 a.m."*

*Walters performed psywar job on Patrick Gray*

Walters met with Gray the next day (July 6) and pulled off a psywar job that for all practical purposes terminated the FBI's investigation of the CIA.

First Walters established who was boss. Gray stated: "My principal recollection...is that he was unable to give me a writing stating that there was no CIA interest in Ogarrio and Dahlberg...he told me he would resign if asked to give me such a writing. He reported this thought to me several times in the meeting."

Walters then hinted that Nixon's gaggle was playing them both for suckers. He pulled out the devious statement he had planted with Gray the week before (that CIA sources and assets would probably be uncovered by an investigation of the "Mexican money chain"), only **now** he suggested that Haldeman and Ehrlichman had put him up to saying it. The Walters memo of his July 6 conversation with Gray recounts the story he gave Gray:

"I said the only basis on which he and I could deal was absolute frankness...Helms and I had been told by two of the White House's senior staff assistants that if this case were to be investigated further, it would lead to some awkward places, and I had been directed to go to acting director Gray and tell him that if this investigation were pursued further, it could uncover some ongoing covert operations of the Agency. I had done this."

Walters, per CIA plan, then postured as a loyal defender of the President over and against Nixon's gaggle:

"I had a long association with the President and was as desirous as anyone of protecting him. I did not believe that a letter from the Agency asking the FBI to lay off investigation on spurious grounds that it would uncover covert operations would serve the President." Gray fell for this performance hook, line, and sinker. His own experience with John Dean's frantic phone calls tended to confirm what Walters was saying. Suddenly he found his thought processes moving from CIA culpability for Watergate onto Dean, Haldeman, Ehrlichman, and the CRP. After all, wasn't Walters "frank" while Dean and Ehrlichman (who had called Gray a week before to cancel a meeting Gray had scheduled with Helms) cagey? Didn't Walters want to get the truth out while Dean, Haldeman, and Ehrlichman were covering something up? Wasn't Walters the one who wanted to protect the President while his staff was fixing him behind his back?

First, Gray was grateful for this "honest explanation" of what was going on: "I too was concerned and disturbed at the contradictory reports I had been receiving...with respect to CIA interest...I undoubtedly so expressed myself to General Walters."

He was impressed by the CIA's "concern" for his investigation, their "cooperation," and the "frankness"; and glad to be in the company of a fraternal agency of such professional calibre:

"My recollection is that he and I then engaged in a general discussion of the credibility and position of our respective institutions in our society and the need to ensure that this was maintained.

"Toward the end of the conversation, I recall most vividly that General Walters leaned back in the red overstuffed leather chair in which he was sitting, put his hands behind his head and said that he had come into an inheritance and was not concerned about his pension, and was not going to let these kids [Nixon's associates] kick him around anymore."

Walters then suggested to Gray that he call the President to express "their" concern about the situation. Gray, completely overwhelmed, describes his feelings:

"After General Walters left the office I sat at my desk quietly and mulled over our conversation. I was confused, uncertain, and uneasy. I was concerned enough to believe that the President should be informed."

Within a half hour Gray had composed himself

around his new identity as Walters' confidante. He called the President:

"Mr. President, there is something I want to speak to you about. Dick Walters and I feel that people on your staff are trying to wound you by using the CIA and FBI and by confusing the question of CIA interest in, or not, people the FBI wishes to interview."

To keep victim Gray under observation and to give him occasional "maintenance," top CIA officials made a number of visits to his office. The befuddled Gray described one such visit by Richard Helms: "In fact, I had a hard time trying to figure out why he came to see me because his conversation was so general and non-specific."

In microcosm this example of psychological warfare represents how the CIA conducted its cover-up. The job on Gray soon spread to the Congress and society at large. The CIA's use of the full range of their psychological-warfare techniques was so effective that even Richard Nixon found himself alternately believing (and then not believing) he had been set up by a CIA conspiracy, as a careful interpretation of his public statements and activities reveals. Until the Labor Committee developed the explanatory gestalt which cracked the CIA's control in January, the cabal was successful in spooning out massive new doses of psychological warfare.

### The Cover-up Continues

*CIA also tampered  
with Ervin and his committee*

The Baker Report also presents evidence that the CIA tampered with the Senate Watergate committee. A memorandum drafted by the Chief of the Central Cover Staff, CIA, March 1, 1973 notes that Robert Bennett (the ubiquitous CIA agent cited earlier) "felt he could handle the Ervin Committee if the Agency could handle Hunt." The memo also notes that Bennett had a friend who had intervened with Ervin on the matter. The CIA memo further states that Bennett relished implicating Colson in Hunt's activities in the press while covering for the CIA at the same time.

*"WH flap — CIA attempt to  
divert attention from Baker report*

The release of the Baker Report July 2 prompted the CIA to engage in yet another psywar maneuver to cover up the conspiracy. To **divert** attention away from the real thrust of the report, the CIA has leaked **cover stories** about a "WH flap," a matter which receives brief mention in the Baker Report. The press flap about the "WH flap" accounts for at least 90% of the coverage given the minority committee report thus far.

The "WH flap" reference in the Baker Report comes up in the aforementioned July 10, 1972 memo written by

Robert Bennett's case officer after Bennett gave him a detailed briefing on Watergate developments. According to the committee report, the memo "suggests that the Agency might have to level with Mullen about the 'WH flap.'" Bennett testified he thought the reference concerned a "White House flap." High CIA officials told the committee that the "WH flap" referred to a "[deletion at Agency request] that threatened to compromise Western Hemisphere operations."

Baker notes that while the July 10 memo states that if the Mullen cover is terminated, the Watergate could not be used as an excuse, a July 24, 1972 contact report shows that the CIA convinced Robert Mullen of the need to withdraw its Far East cover through an "agreed-upon scenario" which included a falsified Watergate publicity crisis. Immediately after Baker released his report, the CIA moved to fill in the blank "[deletion at Agency request]."



Charles Colson

### The "WH" Flap

The *New York Times* July 4 quotes an "official source" on the "Western Hemisphere flap." There follows a tale about a CIA agent getting drunk in Latin America two years ago and telling all to a KGB agent. The Mullen cover, so the story went, was one of many "Western Hemisphere" operations blown by the inebriated agent.

The *New York Post* July 6 runs the follow-up story under the byline of Michael J. Sniffen. The source for the *Times* article is quoted as saying that his original account was "an error and that there had been no contact with a Soviet agent." His new "WH flap" is about an agent who retired in 1969 and later became disenchanted with the CIA, visiting Cuba three times in

recent years. "The presumption is that he was very forthcoming in Havana, and Havana was very forthcoming with Moscow," the source is quoted as saying. Their espionage agents having tested KGB reactions to the initial ploy, the CIA now wants its Cuban operatives to get a reading on the response of Cuban intelligence to this second version. It would also appear that the CIA is probing the present relationship of Soviet and Cuban intelligence.



Nelson Rockefeller

*"WH" flap — readies Pentagon Papers Mark III:  
Ellsberg, Marchetti, and now Agee*

The July 8 *New York Post* brings the next installment of this CIA series, which is being picked up and run nationally. The "ex-"agent is identified as Philip B.F. Agee, now living in Britain, who supposedly plans to write a book about the CIA in which "he lets it all hang out." Thus, the public is being titillated preparatory to a Mark III version of the CIA's Pentagon Papers Hoax — first Daniel Ellsberg, then Victor Marchetti, and now Philip Agee. The "new" source for this installment is identified as "outside government," "associated with intelligence activities in the past" and "having corresponded with the ex-agent."

As the Labor Committees have demonstrated, this type of a psywar operation is by now normal CIA **modus operandi**. First, the CIA generates a scandal about itself for a diversion and/or for certain other psywar objectives. Then Victor Marchetti or another leading light in the CIA's **countergang** of "disillusioned" "ex"-agents (e.g., Thomas Braden, Miles Copeland, Donald

Harrington, etc.) comes forward to the programmed chaos and confusion. Finally the "ex"-agent countergang, having gained credibility, helps through its carefully orchestrated criticisms of the CIA to prepare the CIA's plan to "dissolve" itself as an **agency** — into the infrastructure of Rockefeller's fascist society of the future!

The *Post* "source" describes Agee in terms that make him a carbon copy of the Marchetti fraud:

"'He plans to write about what he thinks is worth communicating to the public about what he thinks is wrong with secret government practices,' this source said. He said Agee had slowly reevaluated his attitude toward the agency after leaving and had reached a decision to write about it in 1972."

#### IV. The Rockefeller Inside Job

*Rockefeller Family directed CIA Watergate conspiracy;  
cabal plans fascist takeover*

In propounding his theory about the CIA's Watergate conspiracy Charles Colson is quoted in last week's *Time* magazine as saying: "If the CIA has infiltrated this country to the extent I think it has we ain't got a country left...Nobody controls the CIA, I mean nobody." While, he is right about the former point he is dead wrong about the latter. As the Labor Committees fully documented in the April-May issues of the *Campaigner* and in numerous other publications, the Central Intelligence Agency is simply an instrument of the Rockefeller faction of international finance capital. **The CIA acts at the bidding of the Rockefeller family.**

Because of the Rockefeller family's enormous economic, political, and social power; because of general ignorance of the Rockefellers' vanguard role in developing, even before the CIA's creation, all the counterinsurgency methods now used by the CIA; and because the Rockefellers, including Nelson, usually pull the strings from behind the scenes, there is little on the "public record" to which we have referred which shows the Rockefellers' role in hatching and carrying out the Watergate conspiracy against constitutional government.

Yet, in reality, it was a Rockefeller-CIA cabal that planned and executed the Watergate conspiracy. This "Real CIA" or CIA Establishment determined to move decisively toward the imposition of fascism from above in Western Europe and North America with the onset of the international monetary crisis in August 1971. As we have seen, it was around that time that the CIA plumbers group was established and the Ellsberg psychiatrist break-in took place. Since that time, the Rockefeller-CIA cabal has pulled off the Watergate set-up of Nixon and the ensuing impeachment drive, instigated the Middle East war and perpetrated the Great Oil Hoax,

orchestrated the virtual destruction of Western European governments. Now the cabal is engineering the phased collapse of the international capitalist economy and the destruction of detente.

### **Inside-Outside All Around**

To understand the Rockefellers' role in coordinating the entire Watergate conspiracy to destroy Nixon and the Presidency, while themselves being the dominant force within the Nixon Administration, it is useful to note that in the 1920's the Rockefeller-IG Farben international combination bankrolled and directed at the same time five major German political parties, including the Nazi Party.

The evidence on the public record does make absolutely clear that the Rockefellers have masterminded the **inside** end of the cabal's inside-outside psywar campaign before, during, and after the Watergate break-in.

*Nelson Rockefeller and his men Young & Kissinger did inside job on Nixon in coordination with CIA*

It was Nelson Rockefeller himself and his two apprentices Henry Kissinger and David Young who continually barraged Nixon with demands that he initiate special operations to stop "leaks," "espionage," and the threat to "national security" long before Nixon established his Special Investigations Unit.

Kissinger, according to information released by the FBI, ordered the bugging and surveillance of 17 government officials, newsmen, and his own personal aides as early as 1969.

It was Kissinger and not Ehrlichman who ordered the CIA psychological profile of CIA agent Daniel Ellsberg (his former aide) after the cabal leaked the Pentagon Papers to the press. David Young himself admitted this fact at Ehrlichman's trial.

Young, Kissinger's aide on the National Security Council, became co-director of the Special Investigations Unit and served as the cabal's liaison to Helms in directing the plumbers operations.

The Baker Report notes the following excerpt from a memo from Helms to Young dated November 9, 1971 concerning the CIA's Ellsberg psychological profile:

"I do wish to underline the point that our involvement in this matter should not be revealed in any context, formal or informal."

Young, of course, as a Rockefeller operative, was the only member of "Nixon's" Special Investigations Unit to escape indictment.

Kissinger and Young, well known as Rockefeller braintrustees and loyal servants, received considerable help from their master Nelson Rockefeller in ensnaring the paranoid Nixon and his Haldeman-Ehrlichman crew in their trap. When Rockefeller resigned as Governor of New York to devote full time to coordinating the cabal's plans for fascist insurrection, the *New York Times* revealed that he had been acting as the Nixon Administration's "special consultant on security matters," meeting weekly in Washington with Kissinger, Young, Nixon et al.

In the previously cited *Time* magazine article, Colson says that Nixon has been prevented from acting against the CIA conspiracy "by disloyal people around" him. Colson cites Henry Kissinger, Fred Buzhardt, and Alexander Haig (onetime Army liaison to the CIA and brought to the White House as Kissinger's aide) as the key "CIA men" involved. In fact, of course, they are the **Rockefeller-CIA cabal's** key inside men. If readers have wondered, for example, how Nixon could have saddled himself with Leon Jaworski as Special Prosecutor, they only have to look to Alexander Haig and Fred Buzhardt, the aides who recommended cabal man Jaworski to him.

*Rockefeller/CIA cabal's probable move to dump Kissinger signals next phase of fascist plot*

The Labor Committees' expose of the cabal's conspiracy and the subsequent remoralization of Nixon forces has now pushed the cabal into two related moves they had long planned but which they had intended to put off for awhile. To bring down the government and prepare their infrastructure, the cabal has launched campaigns to "dissolve" the CIA as an **agency** (see IPS, No. 9) while launching the Watergating of Henry Kissinger.

With the cabal now requiring a general housecleaning in order fully to discredit Nixon for impeachment purposes and to destroy detente unconditionally, the time has come for Kissinger. His service to the cabal almost played out at home and abroad, Kissinger is being readied for a Watergate fall.