

Bare Plot To Watergate Carter Foes On 'Mob Connections'

This newsservice learned last week from highly reliable sources in the nation's capitol that Trilateral Commission's Carter Administration is prepared to conduct a public witch-hunt against its opponents in the trade unions, Congress and industry over their alleged connections to "organized crime." The climate for this attack, our sources say, is to be created through a national media blitz of which both the current investigation "exposing" the "crime connections" of the International Brotherhood of Teamsters (IBT) and a syndicated smear story about mob control of the state of Arizona are "only the beginning." These same sources report that Carter is even willing "to hit some of his friends" with the scandal to make it appear more credible.

Involved in this conspiracy are members of the Justice and Labor Departments, members of Congress and their staffs, especially the Senate Permanent Investigations Subcommittee, several Rockefeller-linked law firms, Rockefeller-linked press conduits, especially the Institute for Policy Studies-controlled "Fund for Investigative Journalism" and its related spinoffs; IPS-linked "trade union democracy" countergangs, such as the Ralph Nader-founded PROD grouplet within the Teamster union.

Congressional sources report that Trilateral Commission members Lane Kirkland, the Secretary Treasurer of the AFL-CIO and Leonard Woodcock, the President of the United Autoworkers union are both "privately" in support of this operation and are "helping behind the scenes." They are unable politically to say or do anything publicly; at this time the sources say. Marching orders are being given from the White House.

"We must create the climate for a new round of McClellan hearings," John Sikorski, the director of PROD, told a reporter. The McClellan hearings of the late 1950s were a travelling road show that went from city to city to allow anyone to give "evidence" of mob and communist penetration into the trade union movement. They set the stage for the passage of the notorious anti-labor, Landrum-Griffith Act.

Sikorski, who stressed that "at this moment we really don't have anything that would stand up in court," called on the nation's press to take responsibility for making sure that justice is done. "If it weren't for a few honest journalists in this country, we could never get anything going," Sikorski told a reporter, "The press must carry the ball now...just as they did in Watergate."

Target the Teamsters

The PROD director, while himself not in control of the overall "mob Watergate," interfaces with all but the top levels of the operation. He is therefore well situated to

pick up the outlines of the Carter gameplan, which he described as follows.

The first phase of the operation consists of the Watergating of Frank Fitzsimmons, the hapless IBT president. Sikorski revealed that "a major scandal" would break "in a big way" when the Senate Permanent Investigations Subcommittee released a report on March 21 which would show that the Teamster chief and his sons were involved in an insurance kickback scandal with known organized crime figures. PROD had conducted some of this information into Congress.

The scandal broke right on cue. The committee report featured chapters on Fitzsimmons and his two sons alleged involvement in an insurance swindle involving convicted felon Louis Ostrer. Assistant Committee Counsel Mike Aguirre, the man responsible for the preparation of the report, admitted during hearings that he had "no evidence that warranted prosecution" of Fitzsimmons or any other national Teamster leaders for alleged connections to the swindles. "It is a problem with the laws," he stated.

Aguirre none-the-less insists that Fitzsimmons and others are guilty of "non-feasance" in carrying out their fiduciary responsibility as trustees of health and welfare or pension funds.

Invitation to Murder

Sikorski had reported that FIJ member and syndicated columnist Jack Anderson who had received an advance copy of the Committee report, would come out with a column within a few days of the report, claiming that "Fitzsimmons won't be around much longer...he wants out as Teamster President."

In this situation, Sikorski said, Fitzsimmons is profiled to act besieged and to look for a way out — "some sort of deal." His resignation "won't be far off," and the press will keep up the pressure regardless.

On March 23, Anderson came out with the pre-prepared column. Part of a barrage of articles focusing on the innuendo against the Teamster President in the Committee report, it is of particular note for its slant. Quoting unspecified "sources," Anderson claims that Fitzsimmons would like to resign, but his mob controllers will not allow it. Anderson then sets up Fitzsimmons and other Teamster leaders for possible Trilateral Commission-ordered "hits," by alleging that former Teamster President Jimmy Hoffa had "refused to listen to suggestions from crime czars...and he suddenly and permanently disappeared."

A Broader Strategy

Sikorski made clear that Fitzsimmons was not the target of the operation, only an initial target. Removing

Fitzsimmons, he said, would be a pyrrhic victory unless a "much broader Watergate strategy" is employed. You have "to pull down the whole Teamster leadership," he stated, and with it "the whole rotten mob-connected leaderships in the trade union movement and various mob-connected politicians."

The strategy here is to shift the focus from the current on-going investigation of mob-connections to and mismanagement of the Teamsters \$1.4 billion Central States Pension Fund, first to other Teamster pension and health systems and then to pension and insurance systems in other unions. If this is done, Sikorski said, there will be a "huge scandal involving many Congressmen and others on the outside (of the trade union movement)." This is the "proper environment" for a McClellan hearing witch-hunt.

Planted Stories

Last week, the *New York Times* and *Washington Post* broke stories about the mob "fleecing millions" from union welfare and insurance funds through insurance swindles. Such schemes involved the purchase of "group insurance" for union members at rates astronomically higher than what an individual would have spent if he had bought it on his own. Mentioned as the mob-connections in these swindles, were several of the names appearing in the serialized expose on corruption in Arizona released through the FIJ-linked, "Investigative Reporters and Editors, Inc."

Sikorski revealed that such stories were "plants" and were part of "the same operation" going after the Teamsters. The release of the articles on Arizona had been purposely timed to coincide with the hearings on mob connections into the Teamsters, he said. "The scandals feed off each other." For example the Goldwater family, whose "mob connections" were alleged in the IRE pieces, "were close to Fitzsimmons," he said. "Any attack on either weakens both."

Sikorski also reported that "a really big nursing home scandal involving a mobster figure connected to both Goldwater and the Teamsters" will be broken soon in *Rolling Stone* magazine.

More Scandals

Sikorski then rattled off a number of scandals which are slated to break in the press and in Congressional hearings over the next few weeks:

*A major kickback scandal involving the Culinary Workers union as "a spinoff" of the recent assassination of the Las Vegas union chief, Bramlett.

*A kickback scandal involving the leaders of the bartenders union who allegedly "loaned money from the union treasury" to a known mobster.

*An insurance and kickback scandal involving leaders of the Laborers Union "which will produce indictments."

*"Sensational revelations" about mob control of the East Coast docks which will involve the International Longshoremen's Association. A grand jury probe is already underway.

NSIPS has since learned that the Senate Permanent Investigations Subcommittee is scheduled to become the principal Congressional vehicle for the Trilateral witch-hunt. This was confirmed early this week by Sen. Charles

Percy, the ranking minority member of the committee, who told a reporter that he sees the present "investigation rapidly evolving (into) McClellan-type hearings." Percy, a Rockefeller in-law, was backed up in his assessment by New York's Sen. Jacob Javits, known as the Senator from Chase Manhattan who told a reporter that the Senate Committee could and should quickly "gobble up" and give direction to all other Congressional probes into union-mob connections.

Aside from Percy and Javits, the Committee's membership includes: Senators Roth (Del) and Chiles (Fla), both members of the Trilateral Commission; Sen. Nunn (Ga) the committee chairman, a NATO operative and a member of Carter's Georgia mafia; Scoop Jackson (Wash); and Sen. McClellan, (Ark), the man who ran the 1950s probes.

What these men all have in common — aside from their connection to Rockefeller — is their support for the Trilateral Commission-Ford Foundation energy policy. Their targets, beginning with the Teamsters, are in the forefront of the battle against such plans for deindustrialization of the U.S. Secretary of Labor Ray Marshall has placed former Ford Foundation operative Eamon Kelley in charge of a special unit heading the probe into union pension-scandals.

Besides its charges against the Teamster leaders, the Committee report presents equally unsubstantiated charges of non-feasance in the insurance plans of other union locals including those of the ironworkers, the machinists, the laborers and the production employees. Sen. Percy, meanwhile entered a Chicago newspaper article attacking both the bartenders and culinary workers union in the hearings.

In his testimony, Aguirre made clear that what was being "uncovered" by his investigators was "far bigger" than "just the Teamsters." The mob is buying up legitimate business and using union money as a cover..., he said. "It is worse than in the 1950s....millions of dollars is being stuffed into paper bags and satchels to avoid detection."

Aguirre told a reporter that he was counting on a "surge of public interest" to enable the committee to quickly extend its investigation to focus on improper activities involving a "lot of unions and others." He called on "anyone" to give "any information" they may have about the unions criminal connections.

"We will investigate anything," he said.

The Role of the Press

Sikorski stressed several times that the press is key to the success of the whole operation. The breaking of one scandal after another by "honest journalists" puts the pressure on "gutless Congressmen to do something." There is enormous opposition in Congress to a "ruthless" all-out attack on the mob and trade," he said. A "muckraking press" will also "give courage to those in the Justice and Labor Departments who want to get something going."

Sources in Washington revealed this week that the principal collection of muckrakers to be employed for this operation will come from the Fund for Investigative Journalism and its spinoffs. The FIJ will conduit information from various Rockefeller linked intelligence

networks, both into Congress and into the nation's media. At least two FIJ journalists are at this moment working on books about Teamster corruption and union democracy in the Teamsters and other unions. Both are slated for publication in the "near future."

What is being planned around the "mob stuff" is "Watergate all over again," one FIJ source said this week. You don't even have to have the evidence — "just present a credible case and get it published," he said. "The paranoia of the intended victims will take care of the rest. This is the power of the press."

The Role of PROD

Sources close to the subcommittee described the role played by Sikorski's PROD grouplet as "principally a secondary press conduit" for muckraking scandals about the Teamsters leadership. They were "inserted into the Teamsters for that purpose," the source said. The paranoid Teamsters were profiled to react stupidly to PROD's weak and often unsubstantiated attacks and thereby give credibility to their slanders. "If they (PROD) didn't have the press, they would disappear," another FIJ-linked source said.

Sikorski claims that PROD is the nucleus of a mass organization. He claims that PROD has several thousand members; a knowledgeable source put the number closer to 200 and even Sikorski admits he "has no idea of how many members we have right now."

PROD's other director, Art Fox, is still on Ralph Nader's payroll, Sikorski stated. Sikorski was also at one time.

But this is all going to change. PROD will soon break cleanly with Nader, the man who Sikorski acknowledged was the "god-father" of the whole operation. "You can't organize Teamsters by pushing Nader's energy conservation program," said Sikorski. "It would kill the trucking industry.... Besides he has his head up his ass on the deregulation issue (of the trucking industry)... We keep getting slandered for being with Nader."

Sikorski revealed that Nader's people would still be involved with PROD however.

Sikorski openly acknowledged his own personal role as a conduit for anti-Teamsters "muckraking" stories — especially into Congress. He mentioned as a "close contact" Ken Bernstein, an aide to Rep. Sam Gibbons (D-Fla) and the chief of staff of the Oversight Subcommittee of the House Ways and Means Committee which is conducting hearings on the investigation of

Central States Fund. Bernstein was responsible for blocking the U.S. Labor Party from testifying at last week's committee hearings. Other Congressmen who are working with PROD include Sen. Jacob Javits of New York (R) and Sen. Harrison Williams of New Jersey (D), Rep. Pickle of Texas (D) and Rep. Rangel of New York (D).

Outcome

If these "scandals" are successful in getting McClellan-type hearings off the ground, Sikorski explained, there will be two additional "benefits." First, Congress may be forced to pass legislation that will "once and for all" take union pension systems out of the hands of union trustees and turn them over to "professional money managers." He cited the United Autoworkers (UAW) pension fund as an example of what should be done: "The entire fund is run by Chase Manhattan and you know they know how to invest it...they don't need petty gangsters..."

Second, the entire labor movement "will be shaken up from top to bottom," so that the opening will have been created for "union democracy" countergangs like PROD and others to gain positions of power.

Profiled Response

The success of this carefully planned campaign depends on a profiled response by the victims of the slanders — their expected attempt to refute each allegation charge by charge instead of launching a counterattack against the source of the slanders. "It is not like a court of law," said a FIJ spokesman. "We are letting the people judge them based on what is printed. It is trial by media..."

Frank Fitzsimmons refused to show up at Monday's hearing releasing a statement that the committee report "was unfair" and using him as a fall guy. The statement then goes through a refutation — almost point by point — of the charges against him. "That's OK," said a Subcommittee source. "The more he attempts to say that he is not guilty, the more people will believe that he is."

If any number of Rockefeller's targets — especially Teamsters — were to openly name the people behind the people responsible for such charges and to mobilize behind the U.S. Labor Party's energy program, then the Lower Manhattan scandal mongering campaign would collapse.

— L. Wolfe

Executive Intelligence Review

Press Service Bureaus

CONTINENTAL HEADQUARTERS

Wiesbaden BRD
62 W. Schiersteiner Str. 6
Tel. (06 121) 37 70 81

Mexico City
Apdo Postal 32-0229
Mexico, 1, D.F. Mexico
Tel. (915) 546-3088

New York
231 W. 29 St.
N.Y., N.Y. 10001
Tel. (212) 563-8600

LATIN AMERICA

COLOMBIA — Bogota
VENEZUELA — Caracas

EUROPE

FEDERAL REPUBLIC OF GERMANY —
Bonn, Frankfurt, Hamburg, Dusseldorf
BELGIUM — Brussels
FRANCE — Paris
ITALY — Rome, Milan, Turin
SWEDEN — Stockholm
DENMARK — Copenhagen

NORTH AMERICA

UNITED STATES — Boston, Charlotte,
Philadelphia, Baltimore, Washington,
D.C., Detroit, Cleveland, Chicago, Den-
ver, Seattle, San Francisco
CANADA — Vancouver, Toronto,
Montreal

**Subscription Rates for
New Solidarity International Press Service
Executive Intelligence Review**

**Executive Intelligence Review
P.O. Box 1972, GPO
New York, N.Y. 10001**

Name _____

Affiliation _____

Street _____

City _____

State _____

Zip _____

\$ 60 **for three months**

\$115 **for six months**

\$225 **for one year**