

Rocky Moves To Bust Up 'Whig Alliance' With Left-Right Deployment Against Teamsters

Political forces associated with Rockefeller financial interests, with the backing of other Wall Street factions, this week made direct and coordinated moves to break up the emerging "Whig" labor-industry alliance through a "left-right" deployment to destroy that alliance's centerpiece — the International Brotherhood of Teamsters.

Former Rockefeller in-law Senator Charles Percy (R-Ill) has taken charge of one side of this attack, leading a chorus of Wall Street operatives in Congress in a call for the jailing of top Teamster officials for corruption and mismanagement of pension monies. The Senate Permanent Investigations Subcommittee, which opened hearings on the government investigation of the Central States Pensions fund, and Subcommittee of the House Ways and Means Committee, are slated to serve as a key public forum for these calls for Teamster blood. According to press reports, government investigators, under the prodding of Percy and similar congressional hatchetmen, will soon expand their "investigations" into other aspects of the IBT's vast operations, including its health and welfare fund.

According to sources here, this congressional attack is to be supplemented by a more "high profile" deployment of the FBI-controlled PROD countergang within the union. This deployment is to feature a series of "anti-leadership" demonstrations at locals earmarked by PROD for takeover, including locals in the St. Louis-Cape Girardo, Mo. area.

While this attack on the Teamsters by "left networks" is underway, intelligence operative Mike Parkhurst of "Overdrive" magazine is making a concerted effort to draw leading conservatives into the fight to bust the Teamsters. Terrorist Parkhurst, who in 1973-74 attempted to provoke a bloodbath on the nation's interstate highway system between his "independent truckers," the National Guard, and Teamster drivers as part of the National Security Council's "Operation Chaos" plan to impose a domestic U.S. police state, is now representing himself as the "defender of the free enterprise system." He has reportedly suckered such Whig spokesmen as Senators Schmitt (R-NM), McClure (R-Id) and Helms (R-NC), and Rep. Jack Kemp (R-NY) to back legislation that would partially deregulate the trucking industry and bust the Teamsters' national master freight contract.

There are some signs that certain Whigs are pulling out of this attack on the Teamsters — especially after briefings by U.S. Labor Party officials on the scope of the current operation. Rep. Kemp's office has stated that the congressmen will now definitely not be speaking at this weekend's Overdrive Convention, as Parkhurst's group

had announced.

But it remains to be seen whether and how soon key Whig forces around the country will realize that not attacking the Teamsters is not enough. The Teamsters must be defended — as the center of the fight against the Carter Administration and its policies to turn the U.S. into a fascist "backwater."

"When Will They Be Indicted?"

The opening hearings two days ago of the Senate Permanent Investigations Subcommittee had all makings of a classic "witchhunt." The "victim" — the IBT — was tried, convicted, and crucified — all in absentia.

Percy began the hearing by saying that he was not satisfied with the progress of Labor Department-Justice Department-Internal Revenue Service investigation of Teamsters' \$1.4 billion Central States Pension Fund. When will there be indictments of Teamster officials? Percy asked repeatedly. "When will someone go to jail?" Named as candidates for long jail sentences were Cleveland-based Teamster leaders Jackie and William Presser, the two most outspoken critics among the Teamster leadership of the government attack on the union.

Labor Department officials, including labor secretary Ray Marshall, told Percy and fellow hatchetmen, Senators Nunn (D-Ga), Jackson (D-Wa), and Javits (R-NY) that their investigations were proceeding apace and that they had "hard evidence" of pension money being loaned to mob figures. Both Percy and Nunn immediately requested to know why there had been no indictments yet. They were told that they should ask the Justice Department officials who would be testifying later in the week.

Percy had keynoted the other theme of the hearings in his opening remarks when he fully endorsed recommendations by the Rockefeller-controlled 20th Century Fund that would enable the New York banks to loot, almost at will, over \$35 billion in union pension monies. Labor Secretary Marshall, effectively seconded this statement when he announced that the Teamsters Central States Fund was now in "good hands" and its current management could provide a "model" for other funds.

What Marshall was referring to, according to information revealed at the hearings, is the fact that the New York banks have already effectively seized the Central States Fund. And investment group headed by the Rockefeller-controlled Equitable Life Insurance Society and including Felix Rohatyn's Lazard Freres

investment house now controls all the Fund's assets.

A spokesman for Lazard Freres said in New York today that they were just "tickled pink" that "they had finally gotten their hands on the Teamsters' pension money..."

Now, according to Labor Department spokesmen, Equitable will play the major role in determining which Teamsters go to jail. The insurance company is presently conducting a full audit of the Fund's investments which will serve as the basis for actual indictments. Percy, who has charged that as much as half the Fund's investments are now worthless, urged that this process "take place as fast as possible."

Field Marshall Parkhurst

As the witchhunt continues here in Washington, Mike Parkhurst is preparing for this weekend's Overdrive Convention.

Speaking from the same "command center" in Overdrive's Los Angeles office in which he orchestrated violent confrontations with Teamsters and the National Guard in 1974, Parkhurst told an interviewer of his current "strategy":

This is the "year of decision and action" for independent truckers, he stated. "We cannot rely on congressional committees to go after the Teamsters union and its corruption,...we must bust the Team-

Percy Beats The Drums

Below are excerpts from Sen. Percy's opening statement to the Senate Permanent Investigation Subcommittee July 18 charging the Teamsters with squandering its members' pension funds.

The next day in the hearings, Percy yelled at Justice Department officials that he was "damned impatient with the pace of their investigation... You've been investigating the Teamsters for 17 years and you haven't put people in jail.... If you don't, then we will have to do it ourselves like we did with the McClellan Committee in the 1950s."

The Justice Department revealed that it has no less than 12 separate investigative teams of the Organized Crime Strike Force going after the Teamsters.

It might well be wondered whether there are, in fact, no Teamster crimes to be found.

Today's hearing is intended to publicly air, for the first time, the findings and results of an almost two-year federal investigation into the operations of the Teamsters Central States, Southeast, and Southwest Areas Pension Fund....

Today we want to inquire into the current fiscal integrity of the Fund and its assets, in view of what appears to have been, over a period of years, a pattern of mismanagement, cronyism, and faulty judgment on the part of former Fund trustees.

We have learned of millions of dollars of bad investments in Las Vegas gambling casinos, a Florida dog track, Ohio and Pennsylvania race tracks, and a Connecticut jai-alai center. Millions have also been invested in a luxurious California resort frequented by Teamsters officials, and a failing Chicago hotel whose construction was financed by a bank which had a Fund trustee serving on its Board of Directors. Millions were loaned to a firm which allegedly gave at least one trustee a gift of substantial stock....

There is concern on the part of some federal officials that the Fund may have lost between \$500 million and \$700 million — perhaps as much as one-

half of the Fund's assets — because of these bad investments....

Why did this occur? I believe the answer lies in consummate arrogance on the one hand, and excessive secrecy on the other. It is an arrogance borne of too little attention by the former trustees to their obligations to the rank and file. And it is a secrecy that appears deliberately intended to conceal their reckless investment decisions.

For years, rank and file union members have inquired, "what about my pension?" Our best source of information has been an alert press which has investigated and uncovered Fund abuses that jeopardize individual pension rights.

Although the Labor Department has briefed Committees of the Congress, these briefings have either been in executive session or in public hearings of little use to the Fund beneficiaries because of the guarded nature of the testimony. It was for that reason that this Subcommittee decided upon today's public session. Had we not asked, in all probability the pension fund door would remain tightly shut. As noted, the former trustees were far too secretive. For the Department of Labor to decline publicly to discuss their negotiations as to the Fund would only compound the problem. Surely, any matter that so vitally and directly affects a half-million Teamsters deserves to be out in the open. And, since there are some nine million Americans who depend on 17,000 union fringe benefit plans with total assets of \$35 billion, they too have a profound interest in the federal government's actions in this area.

The Twentieth Century Fund, in a March 1977 study of the management of union pension fund assets, urged certain changes which this Subcommittee should examine with a view toward recommending remedial legislation. These include a requirement that third-party trustees be appointed to prevent domination by union trustees and that management trustees of union funds are given incentives so as to become more actively involved in making sound investment decisions — that they truly be watchdogs instead of puppydogs....

sters union wide open by busting their control over the trucking industry through the 'master freight' monopoly...."

He stated that his bill, the so-called Overdrive bill (HR 2443), would open the door to deregulation of the trucking industry. It (the bill) would be an incentive for "disunionization". Conservatives Kemp and Helms, he said, are "hooked on what we're doing...it's radical free "disunionization" and "end the tribute" that the independent truckers must pay to the "mob-controlled operators and their Teamster buddies." Conservatives Kemp and Helms, he said, are "hooked on what we're doing...it's radical free enterprise capitalism." The conservatives, Parkhurst said, "see themselves helping the little guy make it against the big, corrupt Teamsters.... They hate that union — at least when we remind

them that there is a lot there to hate...."

But Parkhurst has no faith that the legislative process will provide a "remedy for our troubles." "I've got a lot of angry people out there," said Parkhurst, who has published editorials in Overdrive supporting the 1973 CIA-run Chilean truckers strike. "I've been playing it by the rules for three years now. If we don't get our way by the fall or early winter, I will have to take our guns out of the holsters. We could have the worst shutdown ever...." He reported that such a shutdown would be timed to coincide with an expected nationwide coal miners strike, and would almost certainly "bring out the troops...."

Asked whether his "conservative allies" would support such actions, Field Marshal Parkhurst replied, "I guess that's where they get off.... Myself, I don't see anything so sacred about the Constitution...."