

Lance Scandal:

All Roads Lead To Carter's Whitehouse

Investigations into the financial affairs of Bert Lance are opening a new can of worms: Lance's banking relationship with Jake Butcher, a man who has been described variously as a "very shady banker" and "the Tennessean with the most influence in the Carter Administration." If the investigation by the Comptroller of the Currency John Heimann is not distorted by the fact that Heimann is in Nelson Rockefeller's pocket, it will show not only illegal campaign support by both Butcher and Lance to Senator James Sasser (D-Tenn), but that all of the dirty financial roads lead to Carter. Lance and Butcher were two of Carter's main fundraisers; Butcher doubled as Senator Sasser's principal money man.

The Federal Election Commission (FEC) has already stonewalled an investigation into a \$100,000 loan received by Sasser which was likely conducted by Jake Butcher. The loan was from the First National Bank of Tracy City and came at a time when big money was needed for Sasser to survive the primary election last year. It is strongly suspected that Jake Butcher used the bank as a conduit, concealing the source of the loan in violation of FEC regulations. This small rural bank primarily extends home mortgages, personal, and car loans, and its total deposits are only about \$8 million. Bank policy is to limit loans to 10 percent of the \$500,000 net worth of the bank, but in Sasser's case the bank ignored the \$50,000 loan limit.

In fact, the loan was applied for, issued, and then taken over by another institution or individual all in one day, bypassing the normal procedures and the majority of the bank's directors. Three former directors of the bank said that they could not tell who had taken over the loan because it was taken off the Tracy City Bank's records. Two directors said that they had first heard of the loan "in an article in the Nashville Tennessean" and that "the Board of Directors was very upset."

The loan was issued by the bank's chairman, Charley Bill Boswell, and president Nick Turner, who are rumored to have bought their majority share in the bank using a loan they got from Jake Butcher. Sasser, in the meantime, demanded in the Senate's Government Affairs Committee that all investigation of Lance's strange financial dealings be dropped and then organized the vote to kill the investigation.

Lance also got loans similar to the one Sasser received when he was running for Governor of Georgia. Butcher loaned him \$450,000 in 1974, most of it still outstanding. Lance also got \$140,000 from the Northwest Georgia Bank in the tiny town of Ringgold. Lance is a stockholder in this bank and Tom Mitchell, who is currently the trustee for Lance's holdings, was then a director of the bank. There are other loans totaling another \$210,000 to the Bert Lance for Governor Campaign Committee, and no public record that any of these loans have been repaid.

Butcher Collects

In April Jimmy Carter made a call to the Bureau of International Expositions promising \$20 million in federal funds for a pavillion at a proposed 1982 Knoxville Energy Exposition. Within 12 hours of that call, 1982

Knoxville Energy Expo Corporation Chairman Jake Butcher had a license for the Expo in his dirty little fist.

The Carter Connection

Carter himself is smack in the middle of the underhanded money deals. The White House now admits that in June 1975 Carter was personally on hand with Bert Lance at Manufacturers Hanover when Lance secured a \$2.6 million personal loan. Shortly thereafter, Lance extended to Carter a \$4.2 million National Bank of Georgia loan, ostensibly for improvements on his peanut farm. The National Bank of Georgia has a history of "political loans." In 1975 it was investigated for \$65,000 in illegal contributions going back seven years. Carter himself has openly acknowledged some political loan chicanery. He got \$250,000 seed money for his 1970 gubernatorial campaign from personal loans taken out by supporters; Carter later assumed responsibility for these notes.

An analysis of the Carter 1976 Presidential campaign finance reports show numerous entries demanding investigation. For example: on page 909 of his Oct. 22 to Nov. 22 report listed under "operating expenditures" the following entry appears:

Trust Co. Bank FIT
W-H DEPOS — Get out the vote Oct. 27 \$228,800.00

Colony Square
Peachtree St.
Atlanta, Ga. — Get out the vote Oct. 28 \$ 10,000.00

When called, the bank's public relations officer told this reporter that "It was probably a cash withdrawal" but refused to confirm it in writing. If so, the Carter campaign committed gross violations of the Federal Election code. The report shows almost a half million in neat \$100 to \$500 sums for "get out the vote" — given in places which correspond to the areas where massive vote frauds occurred.

The next question involves the influence of the Coca-Cola Corporation throughout Carter's career. It is a well-known political secret in Georgia that Coca-Cola conducted large sums to the Carter primary campaign by listing gate receipts at Greg Allman rock-drug concerts as contributions. These funds were then matched by federal tax-dollars. Carter has already acted on behalf of J. Paul Austin by giving favorable government subsidies to U.S. sugar cane growers as a direct benefit to Coca Cola which uses 20 percent of U.S. sugar production.

Investigations into the financial dealings of Bert Lance can only lead to Jimmy Carter, whose bought-and-paid-for political career is very vulnerable to Watergating. As for Lance, his National Bank of Georgia canceled this quarter's dividend. Lyndon LaRouche, U.S. Labor Party candidate for President in 1976, has suggested to the Comptroller of the Currency, and the Lance bank, that to keep the bank solvent the \$4.5 million loan to Jimmy Carter's "peanut business" be called in.