
INVESTIGATIVE LEADS

Haig sinks deeper into P-2 coverup

by Vivian Zoakos, European Editor

For the past few weeks, Secretary of State Alexander Haig's adviser, Michael Ledeen, has been systematically exposed by Italian government authorities as being intimately linked to the highest levels of Italian terrorism and the international drug lobby. Now a second Haig adviser of even higher rank has been implicated: the notorious Vernon Walters, currently ambassador without portfolio and reportedly Ledeen's superior at the State Department.

The facts about Vernon Walters were published in the issue of the Italian magazine *Il Mondo*, one of the leading investigative journals in Italy. In presenting the new facts of the case, *Il Mondo* correctly points out that Walters's involvement in the Ledeen scandal has implicated the Secretary of State himself much more seriously than ever before.

Il Mondo reports that in February, Ambassador Vernon Walters visited Italy for the sole purpose of forcing a cover-up of the Ledeen involvement with the illegal Propaganda-2 Freemasonic lodge, controllers of Italian terrorism and drug-and arms-trafficking. Not only did he *not* succeed, but subsequent revelations have linked Ledeen to the Red Brigades terrorist gang that kidnapped American NATO General James Dozier.

In publicizing Vernon Walters's mission, *Il Mondo* draws the obvious conclusion that it was not for the purpose of saving Ledeen's relatively low-level neck that a man of Walters's stature risked involvement in the highly dangerous Propaganda 2 affair. Walters's concern in covering up for Ledeen could only have been motivated by fear that were the investigations allowed to run their normal course, Alexander Haig personally would soon become enmired in the scandal.

Haig is already involved. The Propaganda-2 member who had been paying off Michael Ledeen, the Socialist Francesco Pazienza, has admitted in testimony in the Italian Parliament the fact of his own close relationship with the Secretary of State prior to and during his assumption to that post.

The choice of Walters to run the attempted cover for

Ledeen was apt. Used throughout his career as a high-level and very effective troubleshooter, Walters built up his Italian connections right after World War II when he was stationed there as liaison officer between the U.S. and Brazilian armies. Later he was reassigned to Brazil, where in 1964 he coordinated U.S. assistance for the coup d'état of that year, working through the officers who had been with him in Italy. In 1981, he negotiated with the Argentine military advisers for the training of Guatemalan death squads on the sophisticated "public relations technologies" first employed by the Argentine Triple A.

The people under whom Walters worked in Italy in the immediate postwar years, such as James Jesus Angleton—later chief of CIA counterintelligence—were precisely those who organized Italian left-and right-wing networks into the Propaganda-2 lodge. The members of that secret lodge became the controllers and coordinators of the enormous portion of the international drug and arms traffic that passed through Italy. They also created and deployed the various terrorist gangs.

The terrorist connection of Haig's and Walters's subordinate, Michael Ledeen, has since begun to come to light in greater detail following the ambassador's failed visit. Ledeen has been connected to Luigi Scricciolo and his wife Paola Elia, both Socialists and high-level members of the trade-union confederation, UIL, who were arrested in February under charges of being active, ranking members of the Red Brigades, Italy's most infamous terrorist gang.

Europeo magazine of March 6 reported that Scricciolo and his wife had contacted Ledeen in the course of two trips to the United States. The antecedents to this story are that the Red Brigades had issued a communiqué in the period in which they still held Dozier in which they said that the Socialist Party was being controlled from the State Department through an unnamed individual. *Antonio Savasta, Dozier's chief Red Brigade jailer who has since turned state's evidence, subsequently named that individual as Michael Ledeen.*

Europeo reports that Savasta's information came from the meetings between Ledeen and the Scricciolo pair, Luigi and Paola. Testimony from Savasta and the Scricciolo's own cousin—jailed terrorist Loris Scricciolo—identified them and particularly Luigi Scricciolo as being the "public relations" man for the Red Brigades and the liaison man between the Red Brigades, the Irish Republican Army, and the Basque ETA.

Italian anti-terrorist investigators released to the March 10 issue of the Italian newspaper *La Repubblica* that two Americans were part of the 12-man commando team that kidnapped and later murdered former Italian Prime Minister Aldo Moro in March 1978.

One man is already well-known to Italian authorities: Ronald Hadley Stark, who, among his other activities,

recruited potential candidates for the terrorist training camps run in Muammar Qaddafi's Libya.

Stark, who is a chemist, helped set up the Brotherhood of Eternal Love in California in 1966, the organization responsible for working with counterculture guru Timothy Leary to produce approximately 10 million doses of LSD-25 ("Orange Sunshine") in the late 1960s. Stark also maintained a liaison with the terrorist Weatherunderground.

According to federal law enforcement sources, the Brotherhood of Eternal Love paid the Weatherunderground \$25,000 to coordinate the 1979 prison break of Timothy Leary.

French arrest leads into Switzerland

The arrest in Paris in early March of Bruno Breguet, a Swiss national suspected of being involved in a planned bombing of a Paris hotel, has reopened a trail of investigation into an entrenched fascist/terrorist network which has operated out of Switzerland with impunity for decades.

Breguet is not a new name for European enforcement authorities. In 1970, Breguet was arrested in Israel when explosives were found in his possession. Charged with being a terrorist operative for the Popular Front for the Liberation of Palestine (PFLP), he was sentenced to 15 years imprisonment. Then, in 1977, he was suddenly released, whereupon he left Israel for Switzerland, to be employed by Genevan banker François Genoud.

Breguet's association with Genoud was very well publicized. Prior to Breguet's release, Genoud had been openly organizing public support committees for Breguet, to plead in behalf of his release. Genoud's own long-term associations with the Palestinian terrorist circuit were documented in detail March 7 and 8 in a lengthy feature in France's daily newspaper *Le Monde*.

As *Le Monde* reports, Genoud's bank, Banca Arabe Commerciale, was the chief bank used by the Algerian FLN political movement during the 1950s and 1960s. Genoud spent some time in an Algerian jail in the 1960s because of suspicions by Algerian President Ben Bella that Genoud was siphoning party funds out of Ben Bella's control.

Prior to his association with Algeria, however, Genoud had been a prominent figure in the Swiss support movement behind the German Nazi movement. *Le Monde* notes that in 1939, Genoud joined the Abwehr despite his Swiss nationality; other European sources report they are certain Genoud was a close friend of General Wolff, the German commander who oversaw northern Italy for the Nazi party in the final phase of World War II.

Le Monde's exposé on the Breguet-Genoud connection is the latest in a series of hardhitting international probes into the role of Switzerland's banks in protecting

terrorist and organized crime operations.

Since February, Italian, French, and U.S. authorities have been running simultaneous investigations into how the Swiss banking system of secret numbered accounts aids criminality. These official investigations, particularly the French and U.S. investigations, have concentrated on issues of stock fraud, capital flight, and other types of "white collar crime." However, the arrest of Swiss terrorist Breguet, and the *Le Monde* exposé, signal that law enforcement groups are aware that the Swiss banking system is a protection system for much more dangerous criminals than those perpetrating financial fraud.

Defferre's affairs prompt resistance

A new scandal involving French Interior Minister Gaston Defferre broke the first week of March. Defferre was the long-time Mayor of Marseilles, center of the heroin-running French Connection.

Defferre has lost the confidence of almost the entire professional law enforcement corps in France as a result of his attempt to demote—on purely political grounds—one of the country's top policemen, Marcel Leclerc, head of the special criminal brigade in Paris with authority over matters ranging from terrorism to organized crime.

Defferre's attempt led to the resignation of François Le Mouél, head of the Judiciary Police in Paris and the former head of the central narcotics bureau, in solidarity with Leclerc. Le Mouél played a leading role in the dismantling of the French Connection.

On March 9, an unprecedented meeting of 300 to 400 law-enforcement professionals in Paris denounced the actions of the Minister of Interior. A letter was drafted to be hand-delivered to President Mitterrand by a police delegation, asking him to control his minister.

Defferre's name has also come up in a prominent fashion in the Marcel Francisci affair. Francisci, king of the casino gambling industry in France and an elected official of the Gaullist party in Corsica, was murdered in Paris Jan. 15. Now, the content of a tape found on Francisci's body has been published in *Le Monde*, revealing that Francisci had approached Defferre's lawyer, Paul Lombard, asking him to get another lawyer, Roland Dumas, to intervene, on his behalf with the Interior Minister to reopen the most prestigious casino in France, the Cercle Haussman, which Defferre had shut down. The taped conversations indicate that Dumas—one of Mitterrand's closest political friends since 1958—had agreed to intervene, asking for a 50,000 Franc deposit for the job.

Defferre and the two attorneys deny that any intervention was ever made, and Lombard insists that the taped conversations were excerpted in an incriminating fashion by unnamed enemies.