



Why is the shadow government trying to silence these reporters?

by Marianna Wertz

"The network identified last week by Sen. David Boren (D-Okla.) [of the Senate Intelligence Committee] as the 'shadow government' that has illegally ruled our government for 20 years, will go on trial in Boston in this case."

So stated Michele Steinberg, a defendant in the case of *United States of America v. The LaRouche Campaign, et al.*, on Feb. 20 of this year. The case, stemming from indictments handed down by a Boston grand jury, is the landmark trial of constitutional rights of free speech and association, which is scheduled for trial in April. In the case, the rights of reporters and fundraisers for political associations linked to declared U.S. presidential candidate Lyndon H. LaRouche, Jr., will be tested in a suit brought by *prosecutors who were themselves the subject of the reporters' exposés.*

In this bicentennial year of the U.S. Constitution, the most fundamental test of this purported democratic republic will be made: Whether critics of government policy can be fairly tried by the government officials they criticized, whose vindictiveness toward the inditees has been clearly demonstrated over a span of more than a decade, on charges of "conspiracy to obstruct justice."

Were this trial simply a trial of "dissidents," it would not be of such crucial significance for the nation. However, the subject of the exposés reported by the defendants over the past decade, is the very "secret government" which is now making headline news in "Irangate." As *EIR* has recently reported, the "secret government" now under the national

spotlight, has been the subject of investigation by journalists associated with Lyndon LaRouche since 1974. Identified years ago by these journalists as key in the "secret government," are the same government officials, and the Eastern Liberal Establishment networks they work for, who are now directing the prosecution in the Boston case: U.S. Assistant Attorney General William Weld and FBI Director William Webster, who has recently been named to head the CIA.

In this and next week's column, we will draw on the motions of the indicted "conspirators," to demonstrate that the motive for the prosecution in the Boston case is nothing other than vindictiveness against political opponents. In addition, we will show, as the motions amply prove, that the actual subject of the trial will be, not the alleged conspiracy to obstruct justice by the defendants, but the decades-long secret conspiracy to destroy a democratically elected government in the United States, a conspiracy best known by the name "Project Democracy."

In the Boston case, 218 motions have been filed by the defendants, who include The LaRouche Campaign (LaRouche's 1984 presidential primary campaign apparatus); Independent Democrats for LaRouche (LaRouche's 1984 presidential general election campaign committee); Campaigner Publications, Inc.; Caucus Distributors, Inc.; National Caucus of Labor Committees (the last three all involved with publications associated with LaRouche); and 13 individual defendants, with one exception, reporters or fund-

raisers for those organizations. One hundred and forty-eight of the 218 motions filed concern substantive abuses by the FBI, which has conducted a relentless campaign over 20 years, on behalf of the "shadow government," to stop the political activities of LaRouche and his associates.

As these motions document, there have been 11 specific attempts by the FBI since 1968, to force grand jury investigations or U.S. Attorney prosecutorial action against LaRouche. Until 1984, all attempts were in vain, as there was no substantial support in any administration for the FBI's vindictive wishes. From 1984 to 1986, when the "shadow government" gained nearly full power over the Reagan administration, the FBI got the *political* backing it needed to launch a grand jury investigation of LaRouche and his associates. Under cover of that grand jury process, whose abuse was documented in this space in last week's *EIR*, the "shadow government" has been conducting the most outrageous series of human rights violations against its political opponents—who are also, not by accident, the greatest opponents of the Soviet Union—since the days of Sen. Joseph McCarthy.

The following excerpts from defendants' motions in the Boston case, document in detail the real motive behind the prosecution: to silence these voices! The excerpts also make abundantly clear, that had these defendants' warnings been heeded by proper government officials, at any time in the past 20 years, the whole illegal "secret government" and its years of outrage against the laws and the citizens of the United States, might have been avoided.

Vindictive and/or selective prosecution

Defendants Jeffrey and Michele Steinberg, Paul Goldstein, Robert Greenberg, and Edward Spannaus, collectively and separately, allege vindictive and selective prosecution have been used against them by the prosecution. Their charge is backed by overwhelming evidence:

The Steinbergs, editors of publications associated with Lyndon LaRouche, charge:

"... Among the accused's concerns as authors and reporters has been the international trade in narcotics and other controlled substances. . . . It was through this concern that the accuseds became aware of a case involving the Bank of Boston and a subsequent settlement of the case which the accuseds viewed as too lenient. . . . The individual who was in charge of the Bank of Boston case and who initiated the investigation into Lyndon LaRouche, et al., which ultimately resulted in the present indictment, was the now Assistant Attorney General, William Weld.

"... As a result of the accuseds' investigation of the Bank of Boston settlement, these accuseds published numerous articles, books, and other written information which purported to detail a continuing relationship between the Weld family, the Bank of Boston, and Crédit Suisse Bank. The nature of the relationship between the Bank of Boston and

Crédit Suisse Bank was described as involving the laundering of drug proceeds. Additionally, the writings of the Steinbergs and others indicated that agreement between the Bank of Boston and the United States Attorney's office was entered into for the purpose of maintaining the search of the ties between Crédit Suisse Bank and the Weld family. It was further alleged that a director and an officer of the Bank of Boston contributed heavily to the campaign of Mr. Weld for the position of State Attorney General of Massachusetts. Furthermore, it was noted that Mr. Weld's brother-in-law was a member of the law firm which represented the Bank of Boston also that Mr. Weld inherited \$2 million in holdings of White Weld which formed a partnership with Crédit Suisse Bank.

"... Mrs. Steinberg personally lobbied in Congress to oppose the nomination of Mr. Weld, and met with aides of approximately seven members of the United States Senate to proffer reasons why Mr. Weld would be unfit for high office in the Justice Department on the grounds that he had engaged in a pattern of selective prosecutions and had covered up a multi-billion dollar money-laundering scheme (the Bank of Boston case) in which he had a personal financial conflict of interest.

"... Because of the documents prepared by Mrs. Steinberg detailing her allegations and calling for a complete congressional investigation prior to the vote on Mr. Weld's nomination, Mr. Weld was aware of Mrs. Steinberg's activities in Congress. It was, in large part, as the result of Mrs. Steinberg's activities and the testimony presented before the Senate Judiciary Committee in August, 1986, by Warren Hamerman, chairman of the National Democratic Policy Committee (NDPC), that Mr. Weld's confirmation vote was delayed until after the Labor Day congressional recess. An open question remained as to whether the Senate Committee would recommend for a full investigation as proposed by Mrs. Steinberg and Mr. Hamerman.

"... It is important to note that there may be other improper motives involved in the executive branch's desire to prosecute the editorial staff of *EIR*. . . . In March, 1985, Jeffrey Steinberg keynoted a Mexico City conference on the War on Drugs. This was in the immediate aftermath of the assassination of DEA agent Enrique Camarena in Guadalajara and the public surfacing of the William Weld-Bank of Boston scandal. This conference, attended by over a hundred top Mexican government and private security officials and representatives of numerous embassies, was also held within 90 days of *Narcotráfico, S.A.*, of *Dope, Inc.* Jeffrey Steinberg's speech identified the role of the banks in the drug cycle. The conference also publicized a 14 point proposal by Lyndon LaRouche for a hemispheric-wide war on drugs.

"... In May, 1985, Jeffrey Steinberg travelled to Guatemala City as part of a tour including Peru and Panama. This

trip initiated War on Drugs discussions with high ranking government and military officials. As a result of information received during and after this trip, *EIR* prepared a documentary film and special report on the connection between narcotics trafficking and terrorism. In July, 1985, a delegation from Guatemala came to Washington, D.C. These active duty military officials received formal permission from the Chief of State, General Mejia Victores, to visit the District of Columbia under the *EIR* invitation. That delegation held meetings with the White House Office of Drug Abuse Policy, Congress, the Department of Justice, and Nestor Sanchez of the Pentagon.

" . . . In September, 1985, Jeffrey Steinberg returned to Guatemala City for meetings proposing anti-drug operations prior to the scheduled November and December elections. Jeffrey Steinberg met with Mejia Victores during that trip. An active point of the discussion was LaRouche's strong opposition to the incompetent Contra policy of the Reagan administration.

" . . . The final aspect of the selective prosecution in this matter has to do with attempts by the present administration to discredit Mr. Steinberg and the *EIR* in the intelligence community. . . . It is important to note that the *EIR* and its editors have broken embarrassing stories regarding many individuals who are currently being named as participants in the Iranscam and Iranamuck probes. These individuals include, but are not limited to, Michael Ledeen, Elliott Abrams, Adnan Khashoggi, Cyrus Hashemi and the role of Israeli intelligence in the illegal arms trade."

Goldstein and the Philippines coup

Defendant Paul Goldstein's Motion for Dismissal documents selective and vindictive prosecution against him on the following grounds:

" . . . That the defendant Goldstein has over a period of years dealt with high officials in the Government of the United States as well as numerous officials and agents of foreign governments on matters of national security, foreign policy, international terrorism and espionage.

" . . . Defendant Goldstein has been employed since 1974 as counter-intelligence and military strategy editor of *Executive Intelligence Review*. . . . In furtherance of his reporting activities Mr. Goldstein possessed numerous journalist accreditations including a Secret Service Press Pass.

" . . . Starting in 1982, Mr. Goldstein traveled extensively throughout the world meeting with various officials of foreign governments and discussed world events and politics. . . .

" . . . That certain officials in the U.S. Government did over a period of time attempt to stop, prohibit and dissuade Mr. Goldstein from conducting his reporting activities.

" . . . In 1983 an unnamed KGB official met with Paul Goldstein in Germany and made accusations that the Central

Intelligence Agency was responsible for the attempt to kill the Pope. . . . Immediately thereafter, certain U.S. officials informed Mr. Goldstein that he was interfering with CIA business and was creating enemies with the U.S. government.

" . . . Paul Goldstein met and discussed international terrorism with officials in the French, German, Spanish, Israel and Italian government. . . . The State Department filed protests with the above-named government and told them not to meet with Paul Goldstein.

" . . . During the course of his journalist duties Paul Goldstein uncovered certain possible illegalities conducted by members of certain subsectors of the National Security Council. . . . Shortly thereafter an unnamed United States official informed him if he continued his investigation he would subject him to federal prosecution.

" . . . Paul Goldstein's investigation led him to write an article alleging a plot by certain United States officials for a coup against President Marcos of the Philippines. . . . While in the Philippines, Paul Goldstein received messages from purportive United States officials that unless he backed off his investigation, he would be indicted. The purported United States official was one, Forrest Lee Fick. . . . On October 6, 1986 Paul Goldstein was indicted with the chief witness against him, Forrest Lee Fick."

Greenberg and Spannaus: exposing Irangate

Defendants Greenberg and Spannaus, in their Motions for Dismissal, show definitively that the prosecutions against them are directed to stop their investigations of the "shadow government":

"As set forth throughout this statement of facts, Greenberg has consistently, over a period of years, exercised his First Amendment rights of expression and has been a persistent critic of the prosecutors in this case, the FBI and the U.S. Department of Justice. . . . Robert Greenberg has become a target of the U.S. Department of Justice, the FBI and the National Security Council (NSC) over the last seven years primarily for the following two reasons:

"1) His leading role since the summer of 1980 in exposing a cover-up by officials of the Department of Justice, the FBI and the National Security Council of criminal violations of U.S. arms sale policies with Iran. Investigations into these violations are known today as 'Irangate'; and

"2) His leadership role as editor of the counterterror newsletter, *Investigative Leads*, in exposing the FBI's role in protecting certain terrorist circles in the United States and illegal drug trafficking networks, especially banking institutions, such as the Bank of Boston, which have provided a money-laundering support apparatus to these operations. Likewise, he has directed the editorial policy of *Investigative Leads* towards consistent exposés of how the FBI has been instrumental in the destruction of local law enforcement ca-

pabilities. . . .

"Another area of expertise which Greenberg has developed over the years is how drug money profits are laundered through the U.S. banking system. While he has used this expertise to aid and assist law enforcement personnel in locating certain drug trafficking circles in the U.S., he has also used this knowledge to publicly attack those law enforcement officials who have protected certain banking institutions from prosecution. Critical to unmasking the laundering of drug money profits is how a bank abuses the currency transaction reporting laws. Two cases in which Greenberg had a direct role in investigating the malfeasance of Justice Department officials are the Bank of Boston case and the Ohio Home State Savings Bank owned by Marvin Warner.

"In the Bank of Boston case, *Investigative Leads* exposed the fact that then-U.S. Attorney William Weld who at the time was already conducting an investigation of the defendants in this case, allowed the bank to plea bargain to thousands of violations of the currency transactions involving \$1.2 billion. The bank paid a nominal fine of \$500,000 and none of its officers was prosecuted. *Investigative Leads* revealed the fact that two Bank of Boston officials, William C. Mercer and Peter M. Whitman, had previously made financial contributions to Mr. Weld's 1978 unsuccessful bid for state attorney general. In the April 1, 1985 issue of *Investigative Leads* William Weld's conflict of interest in handling the Bank of Boston case were made public. . . .

"Former Assistant U.S. Treasury Secretary John Walker in testimony on March 5, 1985 before the U.S. House of Representatives Subcommittee on Financial Institutions discussed the Bank of Boston case. He testified,

There's every indication that the \$600 million of small bills that the Bank took in was the laundering of 'drug money'. . . .

"While no individuals were indicted in the Bank of Boston case involving \$1.2 billion, the difference in the way William Weld treats his political supporters as opposed to his political adversaries could not be more apparent.

"Edward Spannaus has been a special target of the FBI and the U.S. Department of Justice for many years, and particularly in recent years, for two reasons:

"1) His central role in coordinating the legal defense of the National Caucus of Labor Committees, its members and leaders, and organizations associated with NCLC members; and

"2) His investigative and journalistic endeavors in publicizing malfeasance and misfeasance on the part of the FBI and Department of Justice, most notable in the case of Iranian-sponsored terrorism and gun-running.

"In 1975, Spannaus was one of a number of members of the NCLC who brought suit against the various officials of the FBI and Department of Justice for violations of their

civil rights, and for access to files under the Freedom of Information Act. That suit is still pending (*LaRouche v. Webster*, No. 75-Civ-6010-MJL, S.D.N.Y.)

"Spannaus has had a highly visible paralegal role throughout the litigation of the *Webster* action and other lawsuits. . . . Spannaus has also written dozens of news articles criticizing the FBI, and has consistently reported on FBI harassment of NCLC members and associates of LaRouche, and countermeasures taken. . . . "Spannaus has been perceived as a thorn in the side of the FBI and Justice Department for other reasons as well. For a number of years Spannaus has investigated the covert ties between the U.S. and Iran, emphasizing gun-running and terrorism. His investigations exposed the fact that officials of the Justice Department, including U.S. Associate Attorney General Stephen Trott and FBI Assistant Director Oliver Revell, were involved in covering up illegal activities by Iranians in the U.S.

"In the United States, sued defendant Campaigner Publications, Inc., among others, for exposing his role in funding pro-Khomeini terrorism

of assisting attorneys defending that libel action, Spannaus was responsible for directing discovery and investigations. At one point, Subpoenae Duces Tecum were issued to five government agencies seeking documentation of the illegal activities of Hashemi. The Justice Department successfully resisted the subpoenas, asserting a 'state secrets' privilege for all documents concerning Hashemi's illegal activities. Hashemi (who died mysteriously in July 1986), was subsequently indicted on charges of having conspired to ship prohibited war materiel and parts to Iran between 1980 and 1981, and he has been identified as one of the Iranian middlemen in the Reagan Administration's secret 1985-86 arms deal.

"In 1985 Spannaus filed an FOIA lawsuit seeking documents regarding Hashemi's gun-running and Iranian-sponsored terrorism in the U.S. In that action, *Edward Spannaus v. Department of Justice*, Civ. 85-0841-A, (E.D. Va.) Spannaus authored an affidavit in February 1986, describing 'a secret arrangement made during the hostage crisis that the U.S. government would not prosecute any Iranians in the U.S., in return for supposedly favorable treatment for the U.S. hostages.'

"Since 1982, Spannaus has published many news articles which have been highly critical of the Department of Justice and the FBI for coverup of Iranian-sponsored terrorism, gun-running and for obstructing justice. . . . A memorandum documenting his findings was recently presented to the Honorable Lawrence E. Walsh, Independent Counsel investigating 'Iranscam.' Spannaus's articles since 1982 contained exclusive information which has only in the past few weeks been published in other news media."