'Thank God for the LaRouche people,' attorneys tell New York jury

New York Supreme Court Justice Stephen Crane may have thrown a monkey-wrench into the strategy of prosecutors in a financial fraud case against four associates of Lyndon LaRouche in New York City, when he ruled May 9 that inflammatory statements by so-called unindicted co-conspirators—key to the testimony of at least one government witness, former NCLC member Christian Curtis—were not admissible in the case. Crane also seemed leery of the prosecution's implicit claim that membership in the LaRouche philosophical association, the National Caucus of Labor Committees, constitutes membership in a conspiracy.

LaRouche associates George Canning, Marielle Kronberg, Robert Primack, and Lynne Speed are charged with one count each of conspiracy and one count each of schemes to defraud, in the course of raising loans for political causes associated with LaRouche, which the government alleges they never intended to repay. In fact, government actions, including the forced bankruptcy of three organizations, made it impossible to repay.

When the prosecution called Christian Curtis to the stand on May 9, prosecutor Dawn Cardi attempted to elicit from him various statements he claimed another LaRouche associate, "unindicted co-conspirator" Paul Greenberg, had made to him in 1984. Defense counsel objected and a bench conference began, which rapidly evolved into a lengthy hearing, with the jurors and Curtis excused.

During the hearing, defense attorneys objected that they had not been provided a list of "unindicted co-conspirators" by which to prepare a defense. Judge Crane thereupon conducted a detailed hearing, in which Cardi had to disclose the name of every unindicted co-conspirator, and the co-conspirator statements she hoped to elicit from Curtis and subsequent "insider" witnesses. Crane ruled out a whole series of those statements as being inflammatory and prejudicial to the defense—including numerous "co-conspirator statements" that had been allowed in testimony that helped frame up LaRouche and his associates in earlier trials in Boston, and Alexandria and Loudoun County, Virginia.

Crane also expressed concern at the theory of a "nationwide conspiracy" which Cardi propounded in the hearing. Judge Crane inquired whether she meant to say that membership in the NCLC itself, or its executive bodies, is membership in a conspiracy—and, although the prosecutor backed away from saying so explicitly, it was clear from the context that that was what she intended. In effect, charged defense attorney Larry Hochheiser, Cardi "wants to try a RICO case here"—i.e., under the Racketeering Influenced and Corrupt Organizations act—not a conspiracy; but there are no RICO charges in the indictment.

Some observers found prosecutor Cardi's position particularly odd, since she had claimed in her opening statements that the defendants "just happen to be" members of a political organization; her posture at the May 9 hearing seemed to bear out dramatically the assertions of defense attorneys that the case is aimed precisely at membership in the NCLC.

Twenty years of government persecution

Prosecution and defense had clashed sharply May 4 in opening statements in the case. Prosecutor Cardi claimed that the four defendants were "no different from any other con artists." But defense counsel insisted that the trial itself is part of a 20-year government program of persecution of LaRouche and his political movement.

Cardi asserted that the case is only about financial fraud, and the fact that the defendants "*happen* to be" members of the LaRouche movement is utterly irrelevant. The defendants "bilked and preyed on the investing public," she announced.

The drama was reserved for the defense, which described a political movement which is the target of a vast assault by elements of the U.S. government.

Attorney Jeffrey Hoffman, representing Robert Primack, told the jury that, unlike most people, Primack and the other defendants not only thought about changing the world, but have spent the last 20 years trying to do so. These people are not like us, Hoffman told the jury; they don't just discuss an idea occasionally at a cocktail party, or vote once in a while—they have dedicated their lives to an idea.

Will the documents in this case show fraud? Quite the

opposite; they will show these people did everything they could to give lenders a proof and a claim against them, often *after* the loans were made—when any "bunko artist" would have taken the money and run.

The evidence will show, he said, that the people who lent money were not the "investing public," dealing with IBM, but political supporters, who knew about the movement's program, government harassment—and the riskiness of the loans.

The other category of government witnesses, Hoffman continued, is former members of the LaRouche movement. When things got rough, they didn't stay, like the defendants, who said, "I'm going to stay here and 'suffer the slings and arrows.' " They said, "I'm scared, I'm being yelled at, where's a prosecutor I can go to?"

Hoffman described how things "got rough," citing the 1982 correspondence between Henry Kissinger and then-FBI director William Webster on crushing the LaRouche movement; or the decision by the government and Democratic Party chieftains, after LaRouche candidates won statewide Illinois primaries in 1986, to destroy the movement.

Thank God, he concluded, that we live in a country where people like these defendants—good, decent, honorable—can try to make a change.

'This case is frightening'

Larry Hochheiser, who represents Lynne Speed, began: The prosecutor says this case is not political—but how many people here can possibly believe it is not political? This case is about the Attorney General of New York prosecuting people who are not criminals, but people who are active politically. If you listen to the indictment, you might think Lynne Speed is a Bonnie and Clyde figure who got tired of robbing banks and decided to go into more sophisticated theft.

The prosecutor wants to simplify the case, narrow it down, he warned. But truly, simplification is falsification. The prosecutor says this is not a political trial, that these people "just happen to be" members of a political organization. The evidence will show it is *all* about politics.

I speak for Lynne Speed. Who is this crook, this gangster, this defrauder? She is a young woman pursuing humanistic political goals; she is not a thief. She has always been idealistic. She grew up in Harlem, admiring Frederick Douglass, Marie Curie, Helen Keller, Martin Luther King—and she had a real-life hero in Hulan Jack, the first major black politician, the first black to be elected Manhattan Borough President.

This will become significant because one of the things Lynne was involved in was raising money to publish Hulan Jack's autobiography. The book was published. This is not a group of crooks banding together.

These people set out to develop a New World Economic Order, based on economic justice for all. These people are dreamers—and doers. They believe in the Inalienable Rights of Man. They do what they believe in.

Hochheiser called the case "frightening—like a whirlpool," pulling these innocent people down.

On behalf of George Canning, attorney Susan Wolfe asserted that, because the case revolves around (among many issues) defendants' intent, it is vital the jury understand what these people did, what they believed, and believe, in.

Cardi called Canning an "accountant," Wolfe said, "and if he were, I'm sure his parents would be proud." He could have gotten a good job; he could have made money; but instead he sacrificed material things, for ideas.

In an October 1986 raid, Wolfe said, the government took their files, raided their offices. But that wasn't enough. In April 1987, the government threw their companies into bankruptcy, shut down their publications, shut down the printing presses. But that wasn't enough—because you can't put an idea in chains . . . and that's what the government wants to do.

Mayer Morganroth, representing Marielle Kronberg, spoke last. He reviewed a 20-year history of government harassment, starting back in 1969 with the FBI's "Operation Mousecrap" attempt to get members of the nascent LaRouche movement killed by anarchists and communists in SDS. He explained that documents will show FBI surveillance and theft of financial data over years; FBI reports, formerly classified, that gloat: "There's only $5,000 in their bank account, but their phone bill's $6,200—maybe they'll go under."

He described the infiltration into the organization, *by the FBI*, of FBI agents who were members of the American Nazi Party and the Ku Klux Klan!

Morganroth detailed the role of Lt. Col. Oliver North, Gen. Richard Secord, and their agents in spying on and attacking the LaRouche movement. It's like a spy novel, he said—but it's true; you'll see the government's own documents, showing it all.

Curtis takes the stand

Government witness Chris Curtis spent May 10 on the stand, finishing his direct testimony and undergoing cross-examination by defense attorneys Mayer Morganroth and Jeffrey Hoffman.

In direct testimony, Curtis attempted, within the constraints imposed by Judge Crane's ruling excluding many "co-conspirator statements," to do as much damage as possible. Thus, he testified that he had fabricated much of what he told people on his fundraising calls, commenting that what he had said had been "in a broad context, true," but "specifically, false." He acted out an entire fundraising call on the stand, to show that he had simply acted much of the time during his phone calls. He also related conversations on fundraising approaches he claimed he had had with defendant Primack.

Late in the afternoon Morganroth began cross-examination, establishing that Curtis continued to draw a check from

the organization until roughly December 1986, for cartooning work—although he had quit the NCLC seven months before—and that his wife Guida had drawn a paycheck through February 1987. Yet, during this period, Curtis testified, he was meeting frequently with agents of the Federal Bureau of Investigation and local police agencies, profiling the organization and its members.

He conceded under cross-examination that he was familiar with the notion of FBI infiltrators and informants—including specific instances of FBI infiltration of the organization. He conceded that the organization had been extremely concerned at the possibility of FBI informants and infiltrators, and confirmed that, early in 1985, he had taken his files on his political contacts home with him, because there was a general fear in the organization that the FBI might raid the office and make off with the contact cards.

"And they did do exactly that, later, didn't they?" Morganroth asked.

"Yes," Curtis answered.

"Four hundred FBI and other agents raided the office in 1986 and carried off the contact cards, didn't they?"

"Yes," Curtis answered.

Curtis affirmed that he did not, however, feel in the least peculiar at the fact that he and his wife were making roughly $500 a week from the organization at the same time they were briefing the FBI extensively on NCLC members "and their weaknesses." Curtis didn't like the word "weaknesses," and protested that he didn't know what the word "turn" meant, but the point was clear.

By the same token, Morganroth also went into the FBI's "Fist and Sweep" operations against the organization, and FBI harassment of contributors, and questioned Curtis about his decision to turn over to the FBI the names of 35 of his own lender-contacts, complete with addresses, even though he could surmise that the FBI would visit those supporters.

Curtis admitted that he had applied to various federal government agencies (including the CIA) for employment during the same late-1986 period, and did not deny (as he has previously attempted to do) that he had asked FBI Agent Timothy Klund, in November 1986, whether his association with LaRouche might affect his ability to get such a government job.

Attorney Jeff Hoffman focused his cross-examination on several factors.

First, Curtis's beginnings on the phone fundraising team. "The first week you were on the National Center phone team, did you lie on the phone to raise money?" "No." "The second week you were on the phone team, did you lie?" "No." "How about the third week, did you lie then?" "No." "And no one told you to get on the phone and lie, when you were being trained?" "No." "And by the end of three weeks, weren't you pretty well in the swing of things, pretty well trained?"

"Didn't you testify here this morning that you lied?" "Yes." "Didn't you testify that you ripped people off?" "Yes." And you said you felt a personal, a moral and ethical responsibility—a personal responsibility? "Yes."

Do you still own your house? "Yes, but I don't live there." "And, without getting into figures, are you aware of how much it has increased in value between 1985 and 1989?" "Yes." And did you dip into your own pocket to pay one cent to the people whom you said you ripped off? "No."

Not one cent? "No." And do you have any idea how hard the people at the defense table worked, how hard Bob Primack and the others worked, how many hours, to pay off those loans? Have you been charged with any crimes? "No." Do you *want* to be charged with any crimes? "No." But you testified here this morning that you have no agreement, formal or informal, with any prosecutorial agency? "That's right." So you don't want to get any prosecutorial agency angry at you, right? They could charge you with a crime. You want to keep them happy, right? Isn't that why you're here?

The following day, Hoffman showed Curtis two books—*Dope, Inc.* (published in 1986), and its Spanish version *Narcotráfico, SA* (published in 1985)—and reminded him that he had testified the day before that he had raised money for the publication of those books. Inasmuch as Curtis had further claimed that he had lied to lenders about the cost and the production schedule of the books, Hoffman pushed him to admit that yes, indeed, *Narcotráfico* had been published in 1985—at precisely the time Curtis claimed he was inventing a *Dope, Inc.* production schedule to raise loans.

Hoffman later asked him if, in fact, he had not considered that all his colleagues on the phone team, and on regional phone teams, and in field organizing, were acting in good faith.

Curtis writhed and equivocated, and wound up, over and over, announcing that he couldn't give a yes or no answer. Thereupon, Judge Crane permitted Hoffman, over Cardi's objection, to read to the witness his own sworn testimony, at an earlier trial, "where you were under oath, just as you are here," to the effect that yes, he believed that his colleagues had acted in good faith throughout their fundraising activities.

Curtis's method of lying

Attorney Larry Hochheiser, representing Lynne Speed, invited Curtis to expand on his "method." "You testified on direct examination that in general you told the truth, but on the specifics you fabricated, slipped things in. That's what works for you, isn't it? That's what you testified, isn't it?"

A tight spot to be in: The inference was more than clear—in trial testimony, too, he tells some general truths, and within those, he slips in the lies about small but crucial details. Over and over Hochheiser said, "That's what works for you, right? I mean, that's your approach. You told us that yesterday, didn't you?" Finally, Curtis said yes, I testified to that.