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## Nebraska Child Abuse Story

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# FBI, hysterical over EIR exposé, plans next phase of coverup

by an EIR Investigative Team

Stung by the wide circulation, in Nebraska and across the country, of *EIR*'s July 27 article, "FBI covers up child abuse, murder in Nebraska," the Federal Bureau of Investigation has broken its silence on the Franklin Credit Union child abuse scandal. On Aug. 11, Washington, D.C. FBI spokesman Carlos Fernandez had "no comment" on *EIR*'s charges; the following day, the Omaha-based head of the FBI's Nebraska-Iowa office, Charles Lontor, felt compelled to denounce the *EIR* charges at length. The Omaha *World-Herald* trumpeted his statement front-page the next morning, headlined, "Article tied to LaRouche 'nonsense,' FBI chief says."

Any comment by the FBI on such matters is unusual; but Lontor's statement, drafted on a Sunday for Monday's newspapers, betrays great agitation on the FBI's part. The Aug. 13 *World-Herald* quoted Lontor: "This material is nonsense, as any decent, informed American can readily see, and I'm shocked that, regardless of our differences of opinion, some person or persons in our community chose to talk to these people and even instigate them to write and circulate this kind of smut. . . . Let me make it clear that the reason Mr. Fernandez from FBI headquarters would not comment regarding this or any other article written by the *EIR* is because we do not wish to become involved in a futile debate with them or anyone who may choose to support their efforts."

The FBI's defensive outpouring was amplified by several days of front-page and lead editorial attacks against the *EIR* piece by the *World-Herald*, the state's leading newspaper. Longtime *World-Herald* publisher Harold Andersen has been repeatedly named in the investigation as a child abuser who burns young children with cigarettes as he performs his perversions.

Now, dramatic new information has surfaced which demonstrates how heinous the coverup by the FBI and its fellow-

traveler the *World-Herald*, really is. According to one of the victim-witnesses, whom the FBI has been working overtime to discredit, the Franklin scandal's central figure, Larry King—the 45-year-old GOP money man and singer with entrées into the highest levels of the Republican Party, including the White House—*was a participant in Satanic rituals where human babies were sacrificed*. Reports are surfacing that this victim-witness, who personally observed these rituals, has been targeted for "elimination"—i.e., murder. This would not be the first: Gary Caradori, investigator of the Franklin scandal, and Kathleen Sorensen, an outspoken parent-activist against Satanism, both of whom had told friends they feared for their lives, both met violent deaths in recent months.

### The Franklin story

To summarize the events around the collapse of Franklin: In November 1988, the Franklin Federal Community Credit Union was closed amid charges of embezzlement. Soon testimony emerged of money diversion by Franklin's executive, Republican Party fundraiser Larry King, for the purpose of maintaining a large child procurement and sexual abuse network, catering to political bigwigs. The Nebraska State Senate formed a committee to investigate the scandal, known as the Franklin committee and headed by State Sen. Loran Schmit of Bellwood.

In 1989, the Franklin committee hired private investigator Gary Caradori to work on the case. As Caradori questioned witnesses, he developed leads into the highest circles of business and politics in Nebraska, but also into leading echelons in Washington, D.C. On July 11, 1990, Caradori and his young son Andrew were killed when their small plane disintegrated in mid-air and plunged to the ground in rural Illinois.

In January 1990, former Nebraska State Sen. John De-

Camp released a public memorandum which gave the names of five prominent Nebraskans who were targets of the investigation of allegations of child abuse in the Franklin case. Among them were Harold Andersen, publisher of the *World-Herald*, and Robert Wadman, the former Omaha chief of police. Two grand juries were convened on the matter, provoked in part by the DeCamp memo. On July 24, 1990, the Douglas County grand jury, guided by prosecutor Samuel Van Pelt—known in Nebraska as a “rent-a-judge”—indicted only one of the individuals named by victims as abusers in the Franklin ring, and instead indicted two of the victims for perjury in their testimony against Wadman, Andersen, and others. The decision was widely greeted as a coverup. A federal grand jury is still sitting.

The July 27 *EIR* article documented the sordid role played by the FBI in hounding surviving witnesses to the child abuse ring, as well as its investigators. The FBI’s interference in the Franklin committee investigation included extensive harassment of Franklin legislative committee head Senator Schmit, as well as a subpoena slapped on Gary Caradori’s widow within hours of his death, for all of his files.

### **The coverup**

Only one official body has been trying to get to the truth of the Franklin story—the State Senate Franklin committee chaired by Senator Schmit. All other federal and state law enforcement agencies have instead participated in the coverup attempt. It was no surprise, therefore, that while the FBI’s Lontor on Aug. 12 called *EIR*’s charges “nonsense,” several days later his agents raided Schmit’s office.

The FBI’s apparent purpose in staging the raid was to find documents that would link Senator Schmit to former Sen. John DeCamp. The discovery of such documents would be no surprise, since DeCamp has been Schmit’s personal attorney for years. The FBI, however, appears intent on asserting that Schmit leaked to DeCamp the names of prominent alleged pedophiles, such as former police chief Wadman, Andersen of the *World-Herald*, columnist Peter Citron of the same newspaper, and blueblood financier Alan Baer, which supposed leaks provided the basis for DeCamp’s January 1990 memo. (Citron and Baer, have since each been indicted for child abuse.)

The *World-Herald* pushed this same insinuation about leaks in its Aug. 14 editorial, “Panel says ‘no leaks,’ but what about memo?” The charge of leaks from Schmit to DeCamp would set the stage for the two men to be indicted by the federal grand jury on the Franklin case, for “obstruction of justice.” Such an indictment is rumored to be imminent.

### **The grand juries**

The Douglas County grand jury pronounced on July 24 that the extensive evidence which the Senate Franklin committee had unearthed on child abuse, was merely a “carefully

crafted hoax” involving a free-lance writer named Michael Casey, whom it never even called to testify! Jury foreman Michael Flanagan has been a 27-year employee of Union Pacific Railroad; some of Union Pacific’s top executives are rumored to have surfaced in the Franklin investigation as pedophiles.

Samuel Van Pelt’s Douglas County grand jury also did not bother to question the alleged perpetrators. But it returned indictments for perjury, against the *victims* of child abuse, who had also been the chief witnesses for the Senate Franklin committee, 21-year-old Alisha Owen and 23-year-old Paul Bonacci.

The federal grand jury reportedly has moved to discredit the victim-witnesses in precisely the same manner as the Douglas jury did, by claiming that free-lancer Casey concocted the whole story and sold it to Caradori. Such a concoction would be truly impressive, since before his death, Caradori had given the Franklin Senate committee a list of 271 persons who were either witnesses to child abuse, or who had substantive leads to be followed.

Owen, who testified for Caradori on videotape for almost 14 hours with no contradictions in her story, was offered a deal by the FBI: Just say that Casey concocted the whole thing, including writing the script for her videotaped testimony, and she could “walk.” Owen not only turned down the deal, but enraged Assistant U.S. Attorney Thomas Thalken when she ripped up a grand jury “immunity agreement” and insisted on testifying without immunity—that is, with the truth as her sole defense. When it was clear she would not cooperate with the FBI coverup, FBI Special Agents Rick Culver and Mickey Mott raided Owen’s cell at a correctional facility (she is serving a sentence on a bad check charge) in an attempt to seize a pink file containing many names and dates of incidents of abuse, which she regularly referred to.

In an astounding breach of attorney-client privilege, Owen’s attorney at the time, Pamela Vuchetich, turned the file over to the FBI against Owen’s explicit instruction to the contrary. Vuchetich’s behavior implicates her in collaboration with the FBI coverup, even while still acting as Owen’s attorney. Subsequent lies by Vuchetich have been used by the *World-Herald* to beat the drums for an obstruction of justice case against Schmit and DeCamp.

The federal grand jury, like its Douglas County counterpart, is clearly treating Alisha Owen as a perpetrator, instead of a victim-witness. As she reportedly put it, “The worst three days of my life . . . were in front of the federal grand jury.” She was awakened at 5:00 a.m. the morning of her grand jury appearance, not told where she was going, wrapped in chains, driven two hours, and placed in a hallway in a cage, as if in a zoo. At 8:55 a.m., she was handed a subpoena to testify before the grand jury at 9:00.

Meanwhile, Assistant U.S. Attorney Thalken kept saying very loudly, within earshot of Owen, “If she gets up there and she doesn’t tell the truth, I’m going to charge her with

perjury.” Thalken screamed at Owen’s new attorney, Henry Rosenthal, about perjury. Since the FBI had made amply clear in numerous previous interviews that they did not believe her, the message was clear—“Tell the truth, and you will be indicted.”

### The perjury counts

The Douglas County grand jury indicted Alisha Owen on seven felony charges of perjury, and Paul Bonacci on two. At her arraignment on Aug. 8, Owen’s attorney Henry Rosenthal requested that the contents of the perjury charges should be read aloud, as is every suspect’s right. Consternation ensued in the court. Judge James Murphy ordered a recess with the apparent intent of keeping the charges from being read. When the recess was over, Rosenthal withdrew his request.

Since what Owen and Bonacci actually said will never be printed in Nebraska—or anywhere else for that matter—we print several of the perjury charges against them below. In what follows, they are being cross-examined about their videotaped testimony to Gary Caradori; every perjury count involves their allegations of abuse against prominent Nebraskans.

#### *Alisha Owen, Count III.*

*Q:* Did you see any sexual activity at this first party?

*A:* Yes, I believe it was sexual. . . .

*Q:* The fondling that involved the older men, can you describe that in more detail for me, please?

*A:* . . . there was fondling going on between Harold Andersen and the young boy, he was about 12. He had his hand on his crotch and his pants were undone.

*Q:* Who had their hands on whose crotch?

*A:* Harold Andersen was fondling the boy. . . . I saw Harold Andersen leave with a young boy, who I told you his name was Andy, and go off into one of the back bedrooms.

#### *Count VI.*

*Q:* Can you tell us, first of all, if you recall that particular incident?

*A:* Yes, I do.

*Q:* When did that happen?

*A:* That happened, I believe, March of 1984. . . .

*Q:* What did he [Robert Wadman] do with his gun?

*A:* He struck my body with it and he put it into me and told me what would happen if he pulled the trigger. . . .

*Q:* Now, as I understand it, the chief actually penetrated some part of your body with his gun?

*A:* Correct.

*Q:* He penetrated your vagina with his gun?

*A:* Yes, he did.

#### *Paul Bonacci, Count I.*

*Q:* What did you see Alisha Owen and Robert Wadman do while they were in Alan Baer’s apartment during the daylight hours of 1983?

*A:* Me and Alan Baer and Danny King were all on the couch and stuff fooling around watching some movies, and I got up to go to the bathroom, and when I went in the bathroom, I opened the door, and I saw them engaging in sexual intercourse. . . .

For her courage in testifying, Owen faces a possible 160 years in jail, Bonacci something less.

Following the Douglas County grand jury’s perjury indictments against Owen and Bonacci, another witness stepped forward to charge that grand jury prosecutor Samuel Van Pelt had offered her a ride to the grand jury the day that she was to testify. The witness apparently had testimony which would corroborate key parts of Owen’s testimony; Van Pelt made it clear in the car that the grand jury did not believe Owen. The message was clear: Back up Owen only at your peril.

It is expected that the job of prosecuting the two victim witnesses will be handed to Douglas County Attorney Ron Staskiewicz. His assistant, Robert Sigler, *has been named repeatedly by victim-witnesses as a pedophile.*

The FBI has put enormous effort into attempting to terrorize and discredit Alisha Owen, since if Owen’s charges that ex-police chief Wadman fathered her child are true, all the rest of the victim-witnesses’ testimony gains enormous credibility. Wadman is also known for his extremely close relation to former Nebraska FBI head Nick O’Hara.

Though Wadman has reportedly offered to quietly pay child support for Owen’s child without acknowledging paternity, and has in the past acted hysterically about the prospects of submitting to a blood test at the same time as Owen and her child, under carefully controlled conditions, he has just recently reversed his past behavior, and expressed his strong desire to do just that. “He’s willing to do just about anything to shut these lies up,” said Wadman’s attorney, Michael O’Brien, on Aug. 14.

This extraordinary about-face has raised suspicions among those who have followed the Franklin scandal. Said one observer, “With the stakes as high as they are in this case, it would be nothing at all to put up \$5 or \$10 million, or maybe some death threats, to fix the results of a blood test. If it is known ahead of time which lab or labs the test is going to be in, you can just about count on it being rigged. You would have to do multiple labs, at least one of which would have to be out of state, with as many unannounced as possible.” Wadman, as well as his friends at the FBI, know which Nebraska facilities have been selected for the test.

### The case of Paul Bonacci

Two out of the four key victim-witnesses videotaped by Gary Caradori recanted their stories of abuse; the two who did not, Alisha Owen and Paul Bonacci, have been indicted for perjury and face long prison sentences. For those running the coverup, such as the FBI and the Omaha Police Depart-

ment, it is essential that these two be discredited, or permanently silenced.

Paul Bonacci was drawn into the world of child abuse and prostitution at the age of 8, according to friends, through a priest the young boy trusted. Now 23 years old, from age 8 until he became a Christian in 1984 and finally left that nightmare world, Bonacci was horribly abused, which has left scars all over his body.

The attempt to discredit Bonacci's story began with his first interrogations by Omaha Police Detective Michael Hoch in 1989, who made it clear that he did not believe Bonacci and that he was friends with several of the prominent alleged pedophiles Bonacci named. When the Omaha police arrested Bonacci on Nov. 19, 1989 and charged him with abusing a minor, they confiscated several of his diaries which chronicled years of abuse against him. These diaries have now disappeared.

The Douglas County grand jury charged that the child abuse allegations were a "carefully orchestrated hoax." Yet Bonacci, whose story corroborated Alisha Owen's, had neither seen nor talked to Owen since mid-1987, until they both appeared before the grand jury. He also named his abusers years before the Franklin case, and has witnesses to back that up.

Bonacci recently has pointed to some of what the Franklin coverup is trying to hide. He recounted that Franklin kingpin and Republican Party impresario Larry King was present at Satanic rituals where babies were sacrificed, at least one of which was held at "the Triangle" in a wooded area in Sarpi County in approximately December of 1980. "I witnessed a sacrifice of a human baby boy," Bonacci said, "Everyone was chanting and it was a yearly ritual around the time of Christ's birth to pervert the blood of Christ. They used a dagger and cut the boy and filled a cup with his blood and mixed urine in it and forced all of us to drink from the cup and chant 'Satan is Lord Lucifer our King, Realm of darkness come now empower us your slaves.' Then they all began to chant some weird sounds and I got scared and was threatened I'd become the next sacrifice if I told anyone about it. . . . I did see [Alan] Baer take part in Satanic activity on several occasions."

Clearly, testimony of this nature is enough to get him killed. Bonacci responds, "I'm a 23-year-old man who loves God and wants to do the right thing to prevent other children from being abused. I am against anyone harming a child in any way. I'm only wanting to see the men stopped from hurting others. They can kill me. I'm ready to die for what's right. If by my death I can prevent a child from being abused, I'd do it."

### **The next victims of the coverup?**

Gary Caradori used to tell the victim-witnesses who trusted him, among them Paul Bonacci, that he would die for them if necessary. Before he died, Caradori had developed

powerful new evidence on both the Satanic side of the Franklin story, and its Washington, D.C. connections. In October 1989, Kathleen Sorensen, a foster parent who investigated Satanism in Nebraska after her adopted children began gradually revealing what they had been subjected to, died in a mysterious car crash, which one expert on Satanism termed a probable "Satanic contract suicide." Just before her death, Sorensen told her Christian friends that she was "under intense attack" and asked them to "please pray for me."

Bonacci has been beaten several times in Omaha and Lincoln jails. Alan Baer reportedly deployed an inmate at the Lincoln Diagnostic and Evaluation Center, one Bently "Goldie" Buchner, to threaten Bonacci not to talk. More recently, there were reports of a \$250,000 "open" contract on Bonacci's life, put out by Baer.

Bonacci's new lawyer, John DeCamp, a central figure in the Franklin case ever since his bombshell January 1990 memo which "named the names," has also been threatened. Information which surfaced in the wake of Caradori's death, indicated DeCamp was targeted for assassination around the same time as Caradori, a danger confirmed by sources in the U.S. intelligence community.

Asked about rumors of death threats against him, DeCamp replied that he had been contacted by "someone of the highest credibility who believed in his mind, and had excellent reason for doing so, that I am in great danger." "The only thing I am certain of," said DeCamp, "is that the whole truth is not being told on Franklin. Everything I have done is to try and get out the truth of this matter. I am concerned about institutions of government and whether or not they are doing their job. When there is no confidence, there is no government, then you have chaos."

On the role of the *World-Herald* in the Franklin affair, DeCamp continued, "At first I thought the *World-Herald* might be sincerely misled by some of the personalities involved. I no longer believe that. I am absolutely convinced they are on a program of deliberate deception. Why? I don't know. I know they are printing things they *know* are not true."

As for the chairman of the legislature's Franklin committee, Sen. Loran Schmit, a gallows-humor question is being passed around the state house: "Hey, who wants to go out and start Schmit's car tonight?" It has been made clear to Schmit that he will be destroyed, at minimum financially or physically if necessary, if he proceeds with the Franklin investigation. The FBI has been harassing Schmit, as they did Caradori before his death, for some time. If Schmit were killed, say in a car crash where it would appear that he had been drinking, that would likely be the end of the Franklin investigation.

It is time that citizens of Nebraska, as well as elsewhere, speak out forcefully against the crimes under way against those committed to uncovering the truth of the Franklin affair.