

NSIPS Exclusive

# How Rockefeller Controls Elections: The Takeover of the Voting Machine Companies

June 20 (NSIPS) — This report presents a preliminary summary of an NSIPS investigation of the takeover of voting machine production and marketing by public and private U.S. intelligence agencies. *The takeover of voting machine companies and the institution of computerized elections provides the capability for large-scale vote fraud and election rigging — key components of the Rockefeller-National Security Council insurrection against Constitutional government in the United States. A full brief on the conspiracy to destroy free elections in the U.S. is now in preparation by an NSIPS investigative team and will be presented to Congress. This investigation covers the following areas of the conspiracy:*

(1) *The takeover of local political machines and the election apparatus by the Law Enforcement Assistance Administration and Institute for Policy Studies networks;*

(2) *The present operation to keep the U.S. Labor Party off the ballot in the 1976 Presidential elections through sudden changes in petition requirements; this operation has surfaced in at least five states and is coordinated through John Gardner's Common Cause and other similar Rockefeller operations and agents;*

(3) *The manipulation and molding of public opinion through "public opinion" polls such as those conducted by the Gallup and Harris organizations.*

*Individuals and organizations with information in their possession as to any aspects of this conspiracy to destroy the electoral process are urged to make it available to NSIPS, where it will be incorporated into the forthcoming Congressional brief as appropriate.*

Public and private U.S. intelligence agencies associated with the Rockefeller faction now control virtually all manufacturing and marketing of voting equipment in the U.S.A., as the result of operations going back over at least the past six years. During the 1960s, two companies produced almost all voting equipment. Today, those two companies have been taken over and wrecked, and an IBM-front organization has largely taken over the field with its easily rigged computer election system.

Institute for Policy Studies agent Mitchell Rogovin provides a key link tying the takeover of the voting machine companies to the highest level of networks involved in the Rockefeller insurrection. Rogovin occupied the key positions of General Counsel for both the Institute for Policy Studies and Common Cause, until he resigned to become Special Counsel to the Central Intelligence Agency in June 1975. As counsel for Common Cause, Rogovin played a central role in the watergating of former President Nixon, personally orchestrating the Vesco campaign-contribution operation against Nixon, and also representing Tad Szulc of the New York Times in legal proceedings used to publicize the "Pentagon Papers" hoax. During this same time period, Rogovin was deeply involved in the takeover of the AVM corporation, functioning both as a "consultant" and representing AVM in a Miami court case which was used to create a major scandal in Venezuela in early 1973.

## How Elections Are Rigged

The methods of election rigging are somewhat different and easier for computerized elections than for elections conducted on mechanical, lever-type, machines, but massive fraud can be and is conducted with both types of systems.

As Keith Spaulding, vice-president of AVM's voting machine division told an NSIPS reporter, voting machines can be fixed in any way desired. Levers can be disengaged from counters. Machines can be rigged so that votes are transferred from one candidate to another, or so that a certain candidate's votes stop tallying at a predetermined number.

Some methods can be used at the polling place, but massive fraud such as that perpetrated against the U.S. Labor Party in the past few years probably requires that the machines be pre-rigged before the election through adjusting or substituting altogether the gears which would otherwise tally votes cast for U.S. Labor Party candidates.

One example of how this worked is the San Francisco mayoral election in November 1975. Pre-election polls taken by the U.S. Labor Party had shown that USLP candidate Nick Benton had support of 20 per cent and up in areas of high USLP penetration. In the election Benton was given 0.18 per cent, as 10,000 votes "disappeared" from the hotly-contested mayoral race. In one precinct, where the fix didn't stick, Benton was given 36 votes, or 15 per cent of the total for that precinct; in most other precincts he was given zero or 1 vote. Labor Party attorneys sued in Federal Court, submitting affidavits showing more USLP voters than votes officially tallied in six precincts, including one instance where a woman and her daughter both cast votes for the USLP, only to find that the machine — in their own garage — showed 0 votes for Benton!

## THE PRINCIPALS:

**AVM** — AVM Corporation, de facto division of **Rockwell Industries**, major defense contractor. Formerly Automatic Voting Machine Co., the largest producer of voting equipment. President and Chairman of Board is **Harold J. Ruttenberg**, intelligence agent since 1930s.

**I.E.S.** — International Elections Systems, Inc., division of **Macrodyne Industries**, defense contractor. Formerly the Shoup Voting Machine Company, second largest producer.

**C.E.S.** — Computer Elections Systems, Inc. of Berkely, Calif. Now the largest producer of voting equipment. Formerly was elections division of **IBM**.

**U.S. Department of Justice** Strike Forces in Philadelphia and Buffalo led by Robert C. Ozer.

**U.S. Treasury Department**, Internal Revenue Service **Mitchell Rogovin**, Institute for Policy Studies, Common Cause, 1969—75; was in IRS - '61—65; Asst. U.S. Attorney General, '65—69.

**Rand Corporation**, "ex-" Rand operatives advertised how computer elections can be easily rigged.

Voting machine companies all supply "trained" mechanics and also provide training for local election boards. These local election boards themselves have often come under LEAA control through the same process used to take over the voting machine companies. In Charlotte, N.C., members of the I.P.S.-sponsored Red Hornet gang, who set up a sham "Labor Party" in that city, were also employed by the Board of Elections as mechanics and laborers to move machines, and one Hornet agent was sent to AVM's Jamestown, NY headquarters for lessons.

#### Computer Fraud

With computerized vote counting, the fraud is centralized and therefore much more efficient. Computers are used for the central vote-counting process; with the CES system, punch cards are used in the local polling place — which is in effect a throwback to the old paper ballot system. The possibilities of altering, mutilating, or substituting punch cards are endless.

"Scenarios" for computer vote fraud have been produced by a group of former employees of the Rand Corporation, the Rockefeller think tank which has also brought us scenarios for "limited" nuclear war, and for regional nuclear wars in the Middle East, Africa, and Latin America. Using Rand "War games" techniques, these "ex"-Rand agents (as in "ex"-CIA agents) demonstrated how an entire election can be rigged by one skilled operator. The Rand experts, now with Systems Research, Inc., an elections consulting firm, divided their research group into two teams: a "Red team" whose goal was to rig a vote count through software modification, and a "Blue team" whose job it was to detect the cheating and to find safeguards to prevent it. The Reds won. (The system is advertised in *Datamation*, May 1970.)

Although there are other more sophisticated — and even less detectable — methods of rigging a computer — such as using a rigged, substitute program along with the official program so that the substitute program becomes operative at a certain point in vote-tabulation, then self-destructs at the end so no trace of it is left — the point is clear. Computerized vote counting is the modern, NSC-LEAA type of vote fraud as opposed to the old-style, precinct-by-precinct fraud which relies heavily upon old-line political machines.

Most election "experts" are complicit in covering up the vastly-increased fraud potentials of computerized elections. For example, a report published by the National Municipal League and financed by the Ford Foundation cites the possibility of jamming mechanical machines, and then praises the computer system because "centralized tabulation provides a better means of maintaining administrative control over the counting process." Indeed. An officer of the National Scientific Corporation who prepared the report told NSIPS, "Fraud is an emotional issue. No one has ever proved fraud."

Despite its documented capabilities of fraud, well over 30 states have now legalized the punch-card-computer vote system. King County (Seattle), Washington, uses the CES computer system — interfaced with LEAA takeover of the entire election process — although state law requires that any voting device must register the votes cast, which the CES system does not. When USLP attorneys sued to invalidate the 1975 municipal election, a State court judge sheepishly said that if he granted the Labor Party's motion, then he would have to declare the entire State Legislature to be holding office illegally!

#### The Destruction of Shoup and the AVM

Both the Shoup and the AVM voting machine companies, the major producers of mechanical (lever-type) machines were subject to identical Federal investigations and indictments in the early 1970s, with the old managements kicked out and both companies losing out to the CES computer systems in the sales of new equipment.

The Shoup company dates back to at least 1910, and underwent a series of mysterious changes of ownership in the 1950s and '60s involving financier-swindler Louis Wolfson and various top Philadelphia bankers. In 1967 the company was purchased by Macrodyne Industries, a producer of defense components whose principal consumers include the U.S. government, Rockwell, GE, Boeing, United Airlines, and Pratt-Whitney.

Irving Meyers, the president of Shoup, came under "investigation" by the Internal Revenue Service after accumulating large gambling debts in 1969. IRS—either through setting up Meyers or taking advantage of a golden opportunity — opened its investigation of Shoup and then brought the Justice Department in via the Philadelphia Strike Force under Robert Ozer. In 1971, Meyers and other officers of the corporation were indicted; Ransom Shoup and his son Ransom Shoup II were fired by Macrodyne along with Meyers.

Meyers pleaded guilty to charges of bribery of public officials and was sentenced to one year's imprisonment in February 1972, which he did not serve. He was then offered a deal by the Justice Department through which he became a government witness for the Justice Department in "corruption" calls against local government officials in Louisiana, Philadelphia, and Chicago. In Philadelphia and Chicago, the indicted election officials were associated with traditional Democratic party machines.

Macrodyne itself seems to have had little interest in producing voting machines. At first they contracted out the manufacture to AVM, then took it back. Their own production of machines was notoriously incompetent. The corporation turned over the marketing of their machines to CES for a period of time during 1972, but this deal fell through when Ransom Shoup and his son refused to allow their name to be used to push the CES punch-card computer system, in spite of various payoffs offered in the form of stock options.

Macrodyne then changed the name of the company to International Election Systems in 1972; it has reportedly been losing money every since.

Shoup and his son then formed their own independent company, the R.F. Shoup company, which has been tied up in court ever since by a suit from Macrodyne-IES. A Macrodyne annual report described the court case this way: "IES has instituted litigation against Mr. Shoup and others which, if successful, should substantially curtail the operations of this competitor for some time."

The wrecking of the AVM voting machine division occurred in a similar manner.

After the IRS and the Justice Department had gotten their indictments of the Shoup company, they opened up the AVM in an inside-outside operation. In July 1972, the U.S. Attorney in Buffalo announced a Federal Grand Jury investigation of AVM, which resulted in indictments of Lloyd Dixon, president, and other officers in January 1973 for violations of SEC regulations and for bribery of local election officials in Arkansas and Texas. In July 1973 AVM was indicted by the

IRS (which had also levied a \$2.3 million claim against the Shoup company).

While the Justice Department and IRS were hitting AVM from the outside, an inside wrecking operation was being conducted by those members of the Board of Directors connected to Rockwell and the Mellon Bank and director H.M. Kreuger of the Rockefeller-connected Kuhn, Loeb investment house. Lawyers Mitchell Rogovin, Harold Ruttenberg and Edward Wisniewsky were brought in as "consultants" for the internal housecleaning.

Ruttenberg and Wisniewsky were partners in "Humanation Associates," a management consultant firm based in Pittsburgh, headquarters of Rockwell and the Mellon bank. Ruttenberg has a most interesting history, having infiltrated the labor movement starting in 1934 in a group of four "intellectuals" who operated within the steel union as agents of John L. Lewis against the Communist Party. He became the Research Director of the Steel Workers Organizing Committee and then of the United Steel Workers, CIO, and a close associate of both CIO head Phillip Murray, and a Tavistock agent in the steel union leadership Clinton Golden. He functioned as a steel company executive, and a "labor relations consultant" through the 1950s and 1960s. With this background, it can be seen why Ruttenberg would be trusted to manage the NSC-CIA takeover of AVM 1973.

As a result of the bribery and tax scandals, and the loss of the \$23 million Venezuelan contract, (see below), the AVM corporation has been run into the ground by Ruttenberg and the Rockwell group. An individual closely associated with the pre-1973 AVM corporation said, "The government was out to wreck this company. The stock which used to be \$20 a share is now \$1 or \$2 a share." A union official knowledgeable of AVM operations said "Everything is strange. Nothing has gone right since the new management came in."

AVM has become simply a shell for CIA operations, not limited to vote fraud. Rogovin's role in the Venezuelan affair is suggestive of this.

In 1972 AVM had negotiated a major contract to produce voting machines for the Republic of Venezuela. AVM then refused to pay commissions which were due to one Hans Mangin, a former Nazi operating out of Grand Cayman Island. Mangin sued AVM, and AVM sent in Rogovin to represent the corporation. Rogovin's "defense" was that Mangin had bribed various Venezuelan officials. The opposition was astounded that Rogovin intended to raise this defense, saying he would not only lose the case for AVM but that it would result in the Venezuelan contract being cancelled. Nonetheless, Rogovin went through with it with the predictable results. But he achieved his apparent objective: Venezuelan officials and journalists flocked to Miami for the trial, and a major scandal broke out in Venezuela over the bribery charges.

Ruttenberg then went crying to his stockholders and the union about the cancellation of the contract, which cost AVM

at best a \$13 million loss.

The importance of having the voting machine companies taken over by defense industry companies is twofold. It provides a convenient "national security" cover for operations; it also provides an excellent method for funneling government subsidies into the companies which are now losing money on their voting-machine operations.

#### CES Moves In

The scandals which rocked Shoup and AVM contributed a major role in setting up Computer Elections Systems (CES) to take over the election market. "We certainly profited by the scandals," said a vice-president of CES. But profit is not the objective: control of the election process is, and with the punch-card computer system sold and operated by CES it is far easier to rig and election than with the mechanical machines.

The "Votomatic" punch card system was developed in 1964 by Professor Joseph Harris of the University of California. Harris, associated with the Atlanticist think-tank, the Brookings Institution since the 1920s, was UNRRA Director of Personnel in 1944-45. His "invention" was picked up and marketed by IBM until 1969, when IBM—in its usual manner—spun off its election division as an "independent" company. At least seven of the ten top officers and directors of CES came directly from IBM, as well as most of the employees.

(IBM is totally interfaced with the National Security Council and the CIA. At the end of World War II IBM's former head Thomas Watson wanted Truman to give him the "franchise" for intelligence operations so that he could set up his own CIA. Though Truman refused, Watson went ahead and set up a vast private intelligence apparatus which interfaces with government agencies. IBM's law firm, Cravath, Swain, and Moore, is located in the Chase Manhattan Building in lower Manhattan; its Rockefeller-CIA connections are well known. Cravath, Swain and Moore also represented three of the AVM directors in a recent stockholder's suit.)

CES now estimates that its punch card system covers about 18 per cent of the registered voters in the U.S. (40 to 50 per cent of voters still use paper ballots, mostly in rural areas.) CES systems are used in Seattle, Los Angeles, Flint, and were just purchased in Cook County, Illinois (the Chicago suburbs.)

The Cook County deal, which gave the contract to CES is quite interesting. It was apparently negotiated by Ronald Smiles, who went to Chicago as a representative of IES (from which he recently resigned as president!) Through landing the Chicago deal and purchasing 4000 old mechanical machines from Cook County, CES now has a virtual monopoly not only on the punch card system, but on the market for lever machines as well, since it sells the used lever machines at such low prices that the other companies cannot compete.