

ADL's tax exempt status in jeopardy

by Our New York Correspondent

The Anti-Defamation League (ADL) of B'nai B'rith is illegally spending over one-third of its yearly budget to run political campaigns and financial warfare operations against a candidate for the 1988 Democratic Party presidential nomination, Lyndon H. LaRouche, Jr., report sources close to the ADL. If true, then the ADL, whose very existence depends on its tax-exempt status with the Internal Revenue Service, is in trouble.

According to the standing Internal Revenue Code, Section 501(c)(3), no tax-exempt organization shall "participate or intervene in [including publication or dissemination of statements on] political campaigns involving candidates for public office."

The ADL is painfully aware that its activities violate the tax code, but a faction inside the ADL believes it is time to throw caution to the wind. On March 26, 1986, in an article in *Jewish World*, a New York newspaper, ADL national director Nathan Perlmutter made it clear that the ADL doesn't intend to let the election of candidates associated with LaRouche, as occurred on March 18 in Illinois, ever occur again.

The *Jewish World* quoted Perlmutter saying, ". . . 'If 501c3 says we can't talk about Hart and Fairchild, it's not worth risking the tax-exempt status. . . . Nothing in that law . . . [however] disarms us from discussing the meaning of Lyndon LaRouche and his organizations if we see their people running.'" Nothing except, of course, that Lyndon LaRouche is a candidate for the presidency of the United States, registered as such with the Federal Election Commission.

According to sources familiar with ADL internal proceedings, not all of the officials of the ADL agree with Perlmutter's interpretation of the law. Indeed, there are numerous internal memos over the years from the legal department which warn regional offices that there are severe restrictions on the ADL's activities regarding political candidates. But other officials in the ADL, led by Perlmutter, Kenneth Bialkin, Justin Finger, and the hapless Irwin Suall have decided to go all out against LaRouche.

At a press conference at the ADL's national headquarters in New York on Wednesday, May 21, the national chairman of the ADL, Kenneth Bialkin, and national director Nathan Perlmutter announced the launching of an "awareness campaign" about LaRouche, a thinly disguised description of the ADL's national campaign to stop the LaRouche-associated candidates from winning elections. The ostensible reason for the press conference was the release of a new ADL report called, *LaRouche and the Cult of Extremism*. Reporters at the press conference, however, say that Bialkin and Perlmutter concentrated mainly on defending the tax-exempt status of the ADL, and defending themselves against an investigation by the Federal Election Commission.

Bialkin announced that the ADL has hired William O'dacker, former general counsel of the Federal Election Commission, to represent it in the complaint filed by the LaRouche Democratic Campaign (LDC). In early April, LDC detailed violations by the ADL, showing that the ADL's activities against LaRouche require that it file as a political action committee. According to federal election law, anytime an organization spends money to support or defeat a candidate for public office, it must register all of its finances with the FEC. Financial disclosure is something that the ADL and its chairman, Kenneth Bialkin, desperately fear.

The main operatives in the ADL campaign against LaRouche have been up to their necks in dirty money operations:

- **Kenneth Bialkin.** Bialkin is the attorney and business partner of some of the most notorious criminals operating in the world today, including Robert Vesco, the infamous swindler of Investors Overseas Services; and Shaul Eisenberg, the Israeli mafia gun-runner. According to federal court records, Bialkin and his law firm, Wilkie, Farr & Gallagher, were guilty of swindling thousands of investors in IOS and the related Fund of Funds—and had to pay millions of dollars in restitution to defrauded investors. Bialkin's association with Vesco was precisely during the time that Vesco was charged with illegal contributions to the 1972 campaign committee of Richard Nixon. Today, Vesco runs an international cocaine trafficking empire out of Havana, Cuba, which finances narco-terrorist gangs throughout Ibero-America.

- **Dennis King.** According to sources in the ADL, one of the actual authors of the new ADL report is Dennis King, a stringer for ADL Fact-Finding Division chief Irwin Suall. King is a reporter for *High Times*, the dope-lobby magazine that pushes for the legalization of marijuana and cocaine, and sustains itself by advertising drug paraphernalia (which is illegal in many states). In 1980, King was involved in an illegal effort against LaRouche's presidential campaign. King worked this illegal election activity through his employer, the newspaper, *Our Town*, whose publisher, Ed Kayatt, is a convicted felon, charged with forging the U.S. Savings Bonds of elderly people. The FEC fined Kayatt and *Our Town* for their illegal operations.