

Court documents show CIA figures in conspiracy against LaRouche

On Monday afternoon, Sept. 14, Federal District Court Judge Robert Keeton unsealed documents in *The U.S. v. The LaRouche Campaign* case that detail a dozen-year history of involvement by Lyndon H. LaRouche, Jr. and a number of his associates, members of the National Caucus of Labor Committees (NCLC), in high-level U.S. national security projects. The principal document, a 27-page proffer submitted to the court on Aug. 21, 1987 in compliance with the Classified Information Procedures Act (CIPA), provided an outline of material that may emerge during the course of the trial regarding LaRouche's involvement in possibly still classified national security matters.

As the result of the government's response, after several weeks of Justice Department and Central Intelligence Agency file searches, that none of the material included in the proffer is currently classified, Judge Keeton placed the document and several accompanying documents into the open case file.

Among the areas covered in the now unsealed court papers are:

- The identification of Monroe N. Wenger, a senior official of the CIA's operations directorate and a reported associate of Duane Claridge, CIA Director of Counterterrorism programs, as a pivotal figure in the conspiracy against LaRouche and associates. Wenger was identified as presently assigned to the U.S. Army Corps of Engineers and to a ship that may be involved in covert operations for the U.S. government.
- The documenting of a Cointelpro-type national security investigation of LaRouche and some of his associates, already revealed in National Security Agency and FBI documents obtained under the Freedom of Information Act.
- LaRouche's personal role in conducting back-channel negotiations with the Soviet government on bilateral matters, including the Strategic Defense Initiative.
- LaRouche's involvement, beginning in the summer of 1977, in formulating a U.S. counterterrorism program in response to the pattern of Western European-centered international terrorism. At the time, the Central Intelligence Agency, through a "cutout" operative, Roy Frankhauser,

warned LaRouche of a possible Baader-Meinhof RAF assassination program against him due to his collaboration with West German banker Jürgen Ponto, in attempting to formulate a new international monetary system.

- The involvement of several LaRouche associates, all co-defendants in the Boston case, in a September 1986 effort to obtain the release of three American hostages in Beirut—through means other than weapons shipments to Teheran. This effort ran afoul of efforts then being directed by Lt. Col. Oliver North at the National Security Council.

As the result of the government's response to date to the CIPA filing by defense attorneys, a green light has been effectively given for presenting to the jury many previously nonpublic features of LaRouche's involvement in national security matters, and for showing how and why certain hostile elements inside U.S. intelligence sought to target LaRouche.

EIR is publishing the bulk of the CIPA submission in two parts, the second to appear in next week's issue.

Proffer pursuant to the Classified Information Procedures Act, Section 5, Title 18, United States Code, Appendix III

During 1974-75, Roy Frankhauser, claiming to be working on behalf of the CIA, established contact with the NCLC. In approximately June 1975, Frankhauser submitted to three days of intensive debriefings, during which time he provided details of his employment with the National Security Council on a special assignment to penetrate a Canada-based cell of the Palestinian terrorist Black September organization, and other aspects of his CIA career dating back to his involvement in the Bay of Pigs. Frankhauser said he served as the "baby-sitter" for Garcia-Kholy, one of the Brigade leaders who was to have a high government post in a post-Castro Cuba. Subsequently, NCLC researchers found a brief reference in *Pravda* citing a 1962 expulsion from the Soviet Union of one "R. Frankhauser" from a low-level post at the U.S. Embassy in Moscow on charges that he was spying.

1. Beginning in the first week of November 1976, within

hours of the 1976 general election, Frankhauser contacted Jeffrey Steinberg and Paul Goldstein and informed them that the CIA intended to dramatically upgrade the contact with LaRouche and the NCLC.

2. From that point on, Frankhauser, occasionally augmented by other CIA cutouts who were usually identified by code names only, maintained daily contact, usually via telephone. ("BLUE LIGHT" was the code name for a variety of agents of the Directorate of Operations who established telephonic contact with Steinberg and Goldstein. Steinberg's code name was "PURPLE HAZE" and Goldstein's designated code name was "HONEYWELL.")

3. Frankhauser's daily communications were of three levels. (a) Personal messages communicated from a particular group of top CIA officials ("THE SOURCE," "E" or "N"). These messages were often very operational in nature—i.e., proposing particular joint intelligence operations, some of which were code-named, or providing specific requests for information or detailed responses to inquiries by NCLC and LaRouche; (b) Duty Officer ("D.O.") daily reports, probably coming from the Office of Security, and covering all facets of current developments. On a regular basis, Frankhauser would receive new call numbers and codes permitting him access to the duty officer briefings. He maintained these access codes almost uninterrupted from 1977 through at least 1984 and probably beyond; and (c) "Shop talk" reflecting Frankhauser's informal discussions and off-the-record—i.e., unofficial—transmissions from Duty Officers and other Agency personnel with whom he maintained personal contacts.

4. In approximately June-July 1977, Attorney General of the United States Griffin Bell issued a report determining that the NCLC-ICLC were not under foreign control. "Foreign operations are run from New York . . . small cadre groups maintained abroad are financed from here and not vice versa. . . ." This report was in part the result of U.S. intelligence agency monitoring of bank transactions, overseas telecommunications, etc.

5. However, on July 8, 1977, Frankhauser reports that there is concern that the ICLC in Western Europe is penetrated by foreign agents, and that all travel by ICLC members is monitored and known to NATO intelligence.

6. On or about July 20, 1977, Frankhauser reports that a high-level CIA official, "E," succeeded in establishing the channel of contact with NCLC and LaRouche on the basis of the U.S. Labor Party's dealings with certain Republican Party circles, with favorable view expressed by then-CIA director George Bush, and due to LaRouche-NCLC recognized expertise in anti-terrorist intelligence.

7. In an undated communication from Frankhauser in approximately the last days of July 1977, LaRouche, then temporarily in Wiesbaden, FRG [West Germany], was informed of the potential threat of terrorist assassination by the

same Baader-Meinhof Gang circles who just assassinated West German banker Jürgen Ponto. "E's man said in the last year, four individuals who have met with Lyn [LaRouche] have been hit: an Italian was poisoned, a Frenchman was hit by an automobile, another was kidnapped, and a German assassinated. They said this speaks for itself in terms of potential operations against Lyn at this moment." By August 2, 1977, a follow-on communication by Frankhauser described LaRouche as "at the top of the list." An official security screen ("STEEL SHIELD") was put up around LaRouche and the Wiesbaden offices of the ICLC. On August 3, 1977, Frankhauser communicated the evaluation that "LaRouche may be being used as bait by BRD [West German] factions close to E." He explained that the "STEEL SHIELD" would be retained in place until the arrival of a two-level security assistance directed by Mitchell L. WerBell III: Larry Cooper used as "cause celebre" while the real security screen was directed by Col. Lew Millett, then directing counterinsurgency operations in El Salvador.

8. On August 3, 1977, Frankhauser informed NCLC channels that "CROCODILE" (referencing Soviet intelligence channels maintained by "E" networks in CIA) was assisting in Wiesbaden screen. Requested a "Lessons Learned" memo from LaRouche once alert status for assassination was down. LaRouche document "Basic Facts About Terrorism" in response. This initial back and forth activated a several month intensive communications regarding evaluation of origins of the current terrorist threat and formulation of an initial policy for neutralization of terrorist infrastructure.

9. During this same period (approximately August 7, 1977), Frankhauser reports that a renewed effort to slander NCLC and LaRouche as "KGB controlled" is being circulated within the intelligence community. He references intelligence data base being maintained on the NCLC using the corporate computer data bases of Xerox and Exxon. The implication is that the "KGB" allegation is being used as a cover for running financial warfare and psychological warfare against the group. Frankhauser also provides a detailed profile of "OPERATION FIST AND SWEEP," a domestic intelligence program.

10. In an undated INTELMEMO from Frankhauser sometime in August 1977, the first explicit reference appears to "E" passing LaRouche's written material into official Soviet government channels. This reference deals with the difficulties involved in assuring that certain LaRouche writings get into the proper hands in Moscow due to intense hostility from Georgi Arbatov of the US/Canada Institute.

11. In September 1977, Frankhauser provided first of a series of detailed briefings on the 1967 Israeli sinking of the *U.S.S. Liberty*, the role of Moshe Dayan, and the overall threat of a renewed instability in the Middle East leading to the bustup of OPEC. From this point forward, the Middle

East and Persian Gulf situations become an area of major policy and intelligence evaluations collaboration, similar to the official collaboration, already ongoing at this time, with respect to formulation of an effective anti-terrorism policy. One feature of this Middle East project is the systematic leaking into the press of the story of how Israel obtained the atomic bomb during the Johnson administration, with the full complicity of the governments of the United States, Great Britain, and West Germany. On October 24, 1977 (approximately), *Rolling Stone* magazine publishes a detailed version of this story, apparently leaked from CIA channels hoping to contain Israeli activities in the Eastern Mediterranean.

12. On December 19, 1977, LaRouche provides to "E" via Frankhauser, a copy of a proposed training manual for new CIA and FBI recruits, a "classified production on our side."

13. In an undated transmission through Frankhauser "from N" (approximately late December 1977), request is made for NCLC-ICLC to provide tapes or transcripts of all discussions held with representatives of Begin and Sadat "as soon as possible" to assist in updated evaluation of breaking developments in the Middle East. On January 10, 1978, "E" formally requested that LaRouche serve as diplomatic back channel for negotiations with Israeli and Egyptian governments. "Secret and quiet private initiatives" are required to counter efforts by the liberal press, especially the London *Times*, to create grave tensions between Israel and Egypt. Frankhauser reports that both Barbara Walters and Walter Cronkite will also play a "back channel" role in smoothing out this dangerous situation.

14. Also, on January 1, 1978, LaRouche transmits, via Steinberg and Goldstein, to Frankhauser that high-level French diplomatic sources have expressed concern regarding threats to the life of President Jimmy Carter during his pending visit to Paris. Response from "E/N" is immediate: "preventive action," no public acknowledgement of the threat, but enhanced security procedures due to the threat warning. Secret Service also responds at high level to NCLC reporting of the potential threat to the President.

15. February 1978, Frankhauser from "E" provides briefing on "ELBOW," the code name of a 25-year, still-ongoing British plan for assuring survival in the event of a nuclear war between the United States and the Soviet Union. This briefing reflects an already ongoing dialogue regarding reassessing the case of H. Kim Philby, in that "ELBOW" centers around separate secret negotiations between London and Moscow in which the British assure that they will never allow U.S. nuclear weapons housed in England to be used.

16. March 20, 1978, in response to the Israeli invasion of southern Lebanon, Frankhauser contacts Jeffrey Steinberg and Paul Goldstein on behalf of "E," proposing a combined effort to neutralize the intensive mobilization of the Israel Lobby inside the Congress and the media. Frankhauser re-

ports that a member of the U.S. Senate is about to introduce a bill that would cut off all military aid to Israel until such time as Israel withdraws all troops from Lebanon. 24 hours later, Sen. James Abourezk introduces such a bill. Subsequent messages from "E" transmitted by Frankhauser assess success of the joint mobilization: "Our total effort involved elements within State and the rest of the intelligence community. . . ." On March 23, 1978, Frankhauser reports that "E" is looking at Ezer Weitzman as a possible reasonable force inside the Israeli cabinet. References "top secret documents through intercepts" that show level of Israeli atrocities inside southern Lebanon. In evaluating the successful mobilization to counter Israel Lobby efforts, "E" requests LaRouche memorandum evaluating prospective view of Ezer Weitzman as a force to be supported inside Israel.

17. During the late spring 1978, Aldo Moro is kidnapped and eventually assassinated by Italian Red Brigades. In this context, LaRouche-NCLC renew already ongoing communications through Frankhauser regarding counter-terror program, relationship between terrorism and international drug trafficking.

18. November 16, 1979 Frankhauser warns that the FBI is conducting anti-LaRouche operations via agents inside the Communist Party USA aimed at blocking transmission of LaRouche material via "E" channel to Soviet "CROCO-DILE."

19. During late November 1979, in the context of emerging hostage negotiations with the Iranian government of Khomeini, Frankhauser proposes that LaRouche and *Executive Intelligence Review* refrain from continued strong attacks on the Muslim Brotherhood internationally due to "sensitive negotiations." Offer is made to trade this holding back for information on Paul Volcker, head of the Federal Reserve. During the same period of October 22, 1980 through late December, Frankhauser transmits a series of messages regarding imminent release of the hostages in Teheran. Following the November 1980 election of Ronald Reagan and George Bush, Frankhauser passed official "E" message regarding an operation that was successfully conducted to block the hostage release until after election day, thereby assuring that the Carter-Mondale forces would not capitalize on such events.

20. Within weeks of the election of Reagan-Bush, Frankhauser claimed he was personally visited in Reading, Pa. by James Baker III, on behalf of the transition team. Frankhauser solicited from NCLC-LaRouche a list of recommendations for nominees to key cabinet and sub-cabinet posts including CIA director. Baker, according to Frankhauser, submitted a list of names of individuals under consideration, including William Casey, and asked LaRouche's view on their qualifications. LaRouche and NCLC prepare extensive memorandum in response to this request and pass it in through Frankhauser.

21. July 10, 1981, Frankhauser reports that "E" personally collaborated with Ronald Reagan to structure containment of Menachem Begin. Referencing "inner-office White House memos" concerning the pressuring of Israel via threat of delay in delivery of F-16 jets as means of getting through the sale of AWACS to Saudi Arabia. Detailed description of the creation of U.S.-Israeli joint dummy companies in Egypt to control the delivery of equipment, including weapons, to Sadat, as specified under Camp David.

22. During summer 1981, Frankhauser also begins pro-

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viding details of illegal FBI operations directed against the International Brotherhood of Teamsters to limit IBT influence on the Reagan White House. Ultimately, NCLC receives FOIA material showing that such an FBI program extending through at least late 1981, is code named "PROB-EX."

23. July 22, 1981, Frankhauser transmits message from "E" regarding use of NCLC material alerting possible security stripping of President Reagan during his summit visit to Ottawa, Canada. In the first week of March 1981, Jeffrey Steinberg and Paul Goldstein transmitted via Frankhauser grave concern regarding potential threat to the life of President Reagan. Frankhauser reluctantly transmitted this information to official channels. After the Hinckley attempt on President Reagan's life, Frankhauser stated that he was immediately visited by director of the Secret Service Knight and thoroughly debriefed on his source of information.

24. On the same date, July 22, 1981, Frankhauser communicates an official request from "E" that NCLC, ICLC, and LaRouche initiate an overall upgrading of analysis and coverage of military-strategic matters relating to balance of forces between NATO-Warsaw Pact, etc. It is also officially requested that all channels of contact with Soviet and Soviet bloc journalists and other contacts in the USA be reopened.

25. This formally establishes the already-ongoing development of LaRouche as back channel for war avoidance into Moscow. This aspect of the CIA channel through Frankhauser

goes by a number of code-names which actually reflect larger intelligence community operations that subsume the LaRouche efforts. These code-names include: "METAL," "GOLD," "CROCODILE," "OPERATION HOLY COW," "ZHIVAGO" ("ZHIVAGO" was a code designation of a special project initiated during approximately 1985-86. According to Frankhauser, this was a joint CIA-NCLC effort in which funds were in part provided by entities with which the defendants are associated. From time to time, similar funds were provided on request for other such joint CIA-NCLC projects). Under these various project headings, LaRouche and other NCLC personnel involved in the back-channel effort are incorporated on "National Security" status list, according to frequent explanations by Frankhauser. Included features of this National Security status are that all international travels by LaRouche plus all major public events in the United States to be attended by LaRouche are placed under special screening. Frankhauser provides advanced security threat assessments reflecting access to government computer data base drawing information from all intelligence services plus INS, U.S. Customs, etc.

26. On July 28, 1981, first reference in Frankhauser communication from "E" regarding LaRouche proposal for beam weapons defense (ref. "lasers for peace"). In response, Frankhauser states that "any proposals from LaRouche will be given serious attention within the national security establishment and the White House." At the same time, Frankhauser passes official request that NCLC-linked publications defend CIA director William Casey against the media assault. Describing the defense of Casey as the "Alamo."

27. During this same approximate time frame, Frankhauser describes special project being conducted by "E," centered around securing the nomination of a particular associate to the post of Ambassador to the Philippines. Proposal is that NCLC designate an intelligence specialist to become expert on Pacific Rim affairs, and specifically Philippines economic situation. NCLC staffer will be placed on the staff of the new ambassador in Manila. Subsequently, Secretary of State Alexander Haig intervenes to block the nomination put forward by "E" via George Bush. Highly unusual for a CIA-designated ambassador to be rejected by a Secretary of State.

28. Earlier, John Gavin's nomination as ambassador to Mexico had been praised by Frankhauser and "E." They urged a direct LaRouche-Gavin meeting, given already well-known LaRouche friendship with Mexican President Lopez Portillo, and given Gavin's past use by CIA. In fact, a Gavin-LaRouche meeting did occur in New York City just days before Gavin reported to Mexico City to assume his ambassadorial post. During the transition period, through transition team channels, and through ICLC channels into the Mexican government, LaRouche policies had been heavily drawn upon in a pre-inauguration meeting between Lopez Portillo and incoming President Reagan.