

# How the assault was carried out

by Leo Scanlon

According to press reports now in circulation, the Criminal Division of the Department of Justice (DoJ) began planning the current assault on the Pentagon in the fall of 1986. The planning was carried out under the direction of William Weld, then the director of the Criminal Division, and his boss, Stephen Trott, both of whom had promised Congress that they would give top priority to the prosecution of defense contractors. Their quaint legal theory was stated by an aide to William Weld: "Where there's money, there's fraud." The investigative corollary of this outlook was summed up by an FBI source who commented on the recent Pentagon raid: "The wiretaps did everything; this is the wave of the future."

Not surprisingly, the preparation and planning for the FBI's June 14 Pentagon raid utilized the full range of tyrannical investigative techniques available to the Justice Department.

The background to the current investigation lies in the continuous efforts of the pro-Moscow lobby in the Congress to sabotage and disrupt the development of new technologies critical to U.S. defense efforts. Driven by a fanatical hostility to the Strategic Defense Initiative program, and operating in the shadows of the austerity budgets of the Reagan administration, a vocal grouping of congressmen has been reorganizing the military procurement process and restructuring the investment tax laws to impose legal and financial penalties on defense contractors desiring to expand their shrinking R&D programs.

The general tactic has been to dazzle the public with fantastic stories about "\$600 toilet seats," and then impose "reforms" which increase the congressional ability to choke defense programs in the cradle. With these "reforms" come a complex series of laws and "ethics" regulations, which have gradually criminalized many necessary features of the weapons development process. The most dangerous regulatory activity, has been the attempt to criminalize the trading of contract information and bid specifications among the handful of qualified retired military personnel who, as consult-

ants, interface between the defense industry and the military. It is a common and necessary practice for companies to tip one another off as to their intentions with respect to specific contracts, in part to limit the cost of unnecessary competition for individual projects. The attempt by the Congress and the DoJ to prosecute these practices using "moral" standards, effectively terrorizes the defense industry, but does little to stop actual corruption.

Since the early 1980s, the Department of Justice has been under tremendous pressure from these congressional networks, to bring landmark legal cases using the new statutes. This pressure resulted in several major cases of fraud investigation in the period 1983-85, coordinated through the U.S. Attorney's office for the Eastern District of Virginia, in Alexandria.

While the early cases prosecuted by the DoJ utilized traditional methods of investigating financial fraud, there was a vindictive quality to the prosecutions, which attempted, as in the bribery case against McDonnell Douglas, to terrorize employees of corporations who found themselves caught in the prosecutorial web. As the "ethics" law evolved, the investigative techniques drew more and more heavily on the tyrannical arsenal of the Justice Department's RICO (conspiracy) laws. The current case marks the first full use of those capabilities, originally developed for use against organized crime, against an agency of the government itself.

## How the frame-up proceeded

According to the story that has unfolded, the Naval Investigative Service (NIS) received a call in September 1986 from a former Navy employee, then working for private industry, who reported to have been contacted by a person in the Pentagon who offered "inside information" for sale. Conveniently, the Naval Investigative Service is not required to notify the secretary of defense when it initiates an investigation, which it did, in response to the call. When the caller agreed to cooperate with federal investigators, "consensual" wiretaps, which don't require a court order, were made of his phone calls. By the nature of the consultant business, the informant's phone log rapidly branched throughout the industry, and the FBI placed pen registers on the phones of each of the people identified. Pen registers, which record the numbers called by the monitored phone, also do not require court supervision.

The investigation was now being coordinated by Joseph Aronica, working in the office of Henry Hudson, U.S. Attorney for the Eastern District of Virginia. William Weld perfected the technique of establishing an investigative "daisy chain" of conspiratorial hypotheses to justify increasingly intrusive surveillance techniques against his target. This method was fundamental to his grand jury witchhunt, then concluding, against Lyndon LaRouche and his associates. That investigation culminated in an unprecedented, illegal

raid on the publishing ventures allied to LaRouche, and was characterized by Hudson's use of wild lies in his arguments requesting authority to use police state measures. The same technique characterizes Hudson's still ongoing witchhunt against LaRouche and associates.

In March 1987, prior to a second round of raids on the offices of *EIR*, Hudson's office took the surveillance "take" before a judge and argued that it represented probable cause for the issuance of a formal wiretap order. The exclusive reliance on wiretaps, unique to this investigation, underlines the blackmail character of the proceeding.

A simultaneous investigation of the Unisys Corporation in New York, under the direction of U.S. Attorney Andrew Maloney of Brooklyn, provided William Weld the opportunity to expand the scope of the planned attack on the Pentagon. Maloney's wiretaps were directed at a consultant who was in frequent contact with key pro-defense members of the House Armed Services Committee, in particular Rep. Bill Chappell (D-Fla.) and Roy Dyson (D-Md.), whose chief aide committed suicide recently. The consultant, Charles Gardner, controlled several defense-related political action committees, the offices of which were searched in conjunction with the Pentagon raid. The message to pro-defense politicians is very clear.

Weld's team now had two interlinked tracks to shape the investigation, which was by now under the control of Ted Greenberg, a prosecutor from Hudson's office, transferred to the Fraud Section of the DoJ.

Throughout 1987, the wiretaps expanded the net of targets which, considering the pretext of the investigation, soon spanned the breadth of the defense contracting community. At the point that all parties agreed that no further "incriminating evidence" could be gathered by the wiretaps—which were now known about by hundreds of FBI and NIS agents—a date for the raid was set. The irony of this phase of the investigation is that the taps were an open secret at the Pentagon, and most of the victims ignored them, in the belief that their activity was not illegal—the ultimate testimony to the shoddiness of the law behind the investigation.

### **The raid: juridical terrorism**

The final phase of the investigation was signaled by the raid on the offices and homes of Pentagon officials, top defense contractors, and consultants across the country. Involving over 250 FBI agents, the raid on the Pentagon was calculated for maximum shock effect, being the first time that one government agency had used this technique, rarely even used against terrorists or drug pushers, to seize the records and files of another part of the Executive branch—*especially since there had been no charges filed against any of the targets of the "investigation."*

It is most important to note that the entire investigation, from initiation through to the raid, was carried out behind the

backs of the President and the Cabinet officers responsible for overseeing the activities of the Justice and Defense Departments. In the case of the taps used, the question remains as to how many secure phones in the Pentagon were tapped on the basis of the dubious juridical pretexts cooked up by Weld et al. The specter of hundreds of federal agents listening in on top-security phone lines will send chills down the backs of security officers for years to come.

Overall, the method of the investigation proves that Weld and his backers have unlimited contempt for the constitutional authority of the Executive, and consider themselves a law unto themselves.

Feeding this putschist mentality are the members of Congress who have been demanding the destruction of the nation's military institutions. Prominent among them has been Sen. Charles Grassley of Iowa, who pioneered the curious congressional notion that trading in documents between defense contractors and the military is a criminal activity, perhaps bordering on espionage—since the defense information is "national property." Grassley accused Attorney General Edwin Meese of sitting on the investigation, and then, in praise of Hudson's contempt for the Constitution, added: "They should have had a Henry Hudson in 1983, and they would have had prosecutions several years ago."

The investigation is continuing to expand as we go to press, and subpoenas will be pouring from the printing presses, as the various victims of the wiretaps are tarred with the accusatory brush, and then encouraged to save themselves by implicating someone else. In classic KGB fashion, this method will soon take the investigation "up the chain" and provide an open field for "trial by press" of the future targets of the investigation.

The examples of criminality which have been proffered by the DoJ so far, are weak to the point of absurdity. They are centered on claims that a close-knit network tied to former Navy Secretary John Lehman utilized access to government documents to influence contracts related to the F-18 aircraft, and its radar the APG-65, here and in Europe. The investigation suspiciously intersects ongoing scandals involving sales of F-18s to South Korea and Kuwait, and there are indications that a third key U.S. ally, Turkey, will be hit as well. The dollar amounts of alleged bribery of consultants by procurement officers, and vice versa, are minuscule, and underline the political nature of the still evolving "investigation."

While Lehman made many enemies during his tenure at the Pentagon—and richly deserved most of them—his close association with the networks coordinating the investigation indicates that it is the Defense Department and the military itself which are the targets of the operation. The methods used by Hudson are already sending the signal to contractors large and small, that doing business with the Defense Department is asking to be crucified, financially and politically, by a cabal which holds the defense of the nation to be a crime.