

DoJ 'national security' unit caught in anti-LaRouche tricks

New evidence shows that a special Justice Department unit with "national security" duties coordinated the 1987 bankruptcy seizure and shutdown of three companies operated by associates of Lyndon H. LaRouche. The seizure—later ruled to be illegal by two courts—resulted in the loss of tens of millions of dollars to citizens who had lent money to the three firms. It also resulted in the indictment of LaRouche and six associates for their alleged failure to repay those same loans—after repayment was prevented by the Justice Department's actions.

Legal papers filed on Sept. 27 in the civil rights case LaRouche, et al., v. Webster, et al., pending in federal court in New York, show that the seizure was coordinated by the General Litigation and Legal Advice Section (GLLAS) of the Justice Department's Criminal Division. The legal brief filed by the plaintiffs in that civil action (who include LaRouche and Edward Spannaus, both currently in prison) shows that the General Litigation unit has responsibility for handling civil matters involving national security investigations. This "national security" unit has been involved in all matters concerning LaRouche for the past 10 years, at a time in which the Justice Department and FBI have always denied that there was any national security investigation of LaRouche and his associates.

(All references to exhibits have been omitted.)

Excerpts from Plaintiffs' Supplemental Memorandum in Opposition to Defendants' Motion for Summary Judgment

Plaintiffs file this supplementary memorandum in order to bring to the Court's attention new information which bears upon the fundamental issues before the Court in this case. . . .

What the plaintiffs have now discovered is that there is a special unit in the Justice Department that has operated under national security authority and has been involved in *all* matters involving the plaintiffs since the early 1980s up to the present time. This unit, called the "General Litigation and Legal Advice Section" of the Criminal Division, has been involved in the following matters that are known to plaintiffs (and there are undoubtedly other matters which are not known to plaintiffs):

- It ordered the FBI to conduct an investigation, under

a terrorism classification, of the complaints made by Henry Kissinger against plaintiff LaRouche and associates in 1982-83.

- It ordered this investigation after various other appropriate units of the FBI and DoJ had declined to authorize an investigation.

- It litigated the civil suit brought by Lyndon LaRouche against Secretary of the Treasury Donald Regan for denying LaRouche Secret Service protection during the 1984 presidential campaign.

- It coordinated the April 1987 bankruptcy seizure and shutdown of three publishing companies associated with plaintiffs; this was allegedly also a civil, noncriminal proceeding.

- It was somehow involved in the negotiations between counsel for some of the plaintiffs herein and Justice Department officials preceding the criminal indictments of LaRouche, Spannaus and others in the fall of 1988. . . .

Far and away the most damaging of the activities known to plaintiffs with which GLLAS was involved was the bankruptcy seizure. This was a flagrant interference with plaintiffs' First Amendment rights—and in some instances even their employment. *New Solidarity* newspaper with a circulation of over 160,000, *Fusion* magazine with a circulation of over 100,000, and other publications were extinguished overnight, and over one hundred employees were put out of work. The companies were also unable to repay loans to their political supporters as a consequence of the shutdown. . . . On Oct. 25, 1989, the bankruptcy Court ruled that the government had initiated the involuntary bankruptcy proceeding unlawfully and in bad faith, perpetrating a "constructive fraud" on the court. The court dismissed the government's petitions. . . . On July 19, 1990, the dismissal was affirmed by the U.S. District Court for the Eastern District of Virginia.

As set forth in the Spannaus affidavit, GLLAS was involved in coordinating the collection of civil contempt fines against plaintiffs' companies as well as the bankruptcy action that was the culmination of these efforts. To date, plaintiffs have received no explanation as to why the same team of individuals who handle national security matters for the GLLAS unit of the DoJ's Criminal Division, has been involved in coordinating these civil actions against them.