

## Thirty years of collusion between the ADL and Stasi

by Jeffrey Steinberg

On June 28, a short article in a leading German newspaper, the *Frankfurter Allgemeine Zeitung*, shed new light on one of the nastiest mysteries of the Cold War epoch: the collusion between Soviet Bloc secret police services and the nominally Jewish American “civil rights” group, the Anti-Defamation League of B’nai B’rith (ADL). The article, by German Jewish historian Michael Wolffsohn, revealed that in 1985, the East German regime, through its State Security Service, the *Staatsicherheitsdienst* (“Stasi”), launched a “friendship offensive” toward American Jewish organizations. The dreaded Stasi, which had a special role in carrying out highly sophisticated and dangerous overseas secret police operations within the Soviet intelligence machine, found its most willing western partners at the ADL and at the World Jewish Congress (WJC), an international Zionist organization taken over by ADL Honorary Vice Chairman Edgar Bronfman in the early 1980s.

The revelation is especially shocking because it is notorious that the “German Democratic Republic,” as the Soviet-occupied east zone of Germany was called, harbored the unrepentant Nazis—in case they should come in useful again.

The collaboration continued even after the collapse of the Berlin Wall. According to Wolffsohn’s account, one of the final acts of ADL-Stasi collusion involved an effort to free an important KGB agent from jail in Israel. Curiously, the Soviet agent, Shabtai Kalmanowitch, had not only penetrated the inner circles of Israeli politics; during the 1980s, before his arrest, Kalmanowitch had been working closely with Lt. Col. Oliver North and the “Project Democracy” apparatus inside the Reagan-Bush administration.

In an earlier interview with the *Washington Post*, Wolff-

sohn had presented evidence, garnered from the archives of the East German Foreign Ministry and the Stasi, confirming that the ADL-East German collaboration continued following the reunification of Germany and the formal dismantling of the hated East German secret police agency. Ex-Stasi officers, operating through informal “clubs,” and bankrolled by millions of dollars in pilfered East German funds, continue to steer the activities of neo-Nazi gangs all across Germany, Wolffsohn charged; and groups like the ADL and WJC continue to provide crucial scare propaganda equating the reunified Germany with a menacing “Fourth Reich.”

Furthermore, ADL-linked financier networks involving people such as Marc Rich, Edmond Safra, and George Soros, had abetted the Stasi, the KGB, and other East bloc secret services in large-scale smuggling of hard currency, gold, diamonds, and other assets across the Iron Curtain into safe havens in Switzerland, Israel, Hongkong, and the Caribbean for later use.

Today, nearly five years since Stasi headquarters was ransacked by angry East Germans in the revolution of 1989, ongoing dirty tricks deployed against strategically sensitive targets make it evident that the old capabilities, or at least some of them, are in place. Among the telltale signs are: the attempt at violent “antifa” (anti-fascist) demonstrations in Germany against U.S. President Bill Clinton and German Chancellor Helmut Kohl in July, when Clinton announced the end of the U.S.-British special relationship and the beginning of a new special partnership with unified Germany; and the spate of terrorist attacks against Jewish communities worldwide, aimed at derailing the Middle East peace process. Both the German-U.S. partnership and the Middle East accords threaten the British geopolitical interests that the ADL-

Stasi apparatus has always defended, because both have the potential to radically shift the axioms which have controlled international policy for the postwar era and especially the last 30 years.

### **A complicated web**

The players and events at the center of this story will be unfamiliar to most readers; and the idea that Soviet bloc secret police agencies successfully won the support of the best-known Jewish "civil rights" groups in America clearly contradicts almost everything reported in the major western press.

Almost.

In January 1993, a curious item in the *San Francisco Chronicle* revealed that local police and the FBI had discovered that a long-time ADL official was spying on behalf of the South African and Israeli secret services. A year-long probe ensued, which revealed that the ADL had illegally obtained confidential police files on tens of thousands of American citizens and had been carrying out a campaign of espionage and disruption against nearly 1,000 domestic political, religious, and civil rights organizations. Among the targets of the ADL dirty tricks were such civil rights leaders as the late Dr. Martin Luther King, Jr. The ADL domestic spying, it was revealed, traced back as far as World War II.

But even these revelations about domestic spying and collaboration with "friendly" foreign intelligence services did little to prepare most people for the truth that the ADL had been "sleeping with the enemy" throughout much of the Cold War, inflicting grievous damages, including undoubtedly the loss of lives, on U.S. national security.

### **East-West underground economy**

For the past 16 years, *EIR's* counterintelligence staff has kept the ADL's courtship of East Berlin and Moscow on a wide range of strategic issues under scrutiny. Our investigation began in 1978 when Lyndon H. LaRouche, Jr., the founding editor of *EIR* and a presidential candidate, requested a study which led to the publication of the book *Dope, Inc.*, the bestseller which uncovered the highest political and financial levels behind international narcotics trafficking. Beyond the politics, there has always been a strong "business" side to the ADL-Stasi-KGB friendship, LaRouche's associates found. The ADL, as the traditional public relations shield of the National Crime Syndicate founded by Meyer Lansky during the 1920s, has always had a major stake in the illegal arms and narcotics underground economy stretching across the East-West divide. This now has a turnover of an estimated \$1 trillion a year.

In the course of our investigation, we discovered one of the least-publicized aspects of the Iran-Contra scandal: the collusion between the "secret, parallel government" led by then-Vice President George Bush and Marine Lt. Col. Ollie

North, and the Soviet bloc intelligence services, in the illegal arms and dope trade.

It was within this domain of covert criminal activity that the Anti-Defamation League played its most significant role during the 1980s, criss-crossing the East-West barriers through an underground of narcotics peddlers, arms merchants, and money launderers. One head of government, Sweden's Prime Minister Olof Palme, inadvertently unearthed the secret of the East-West collusion in shipping billions of dollars in arms into the Persian Gulf to fuel the Iran-Iraq War. He was assassinated on Feb. 28, 1986. An elaborate disinformation effort, run jointly by the Stasi and the ADL, threw a smokescreen over the investigative trail: To this day, Palme's killers remain unidentified.

The report which follows documents the events, places, and people who make up the ADL-Stasi apparatus. While necessarily incomplete, we believe that the evidence presented here is sufficient to warrant a full congressional investigation of the U.S. side of this capability, with a view to shutting it down. Certainly at a time when the loss of life that was incurred by such espionage debacles as the Aldrich Ames spy case is being tallied up and damage assessment is ongoing, it is more than appropriate to begin counting the tentacles of the potentially far larger and more venomous intelligence octopus revealed in this dossier. It is doubtful that world peace and national security can be achieved if it is allowed to continue to thrive.

### **The ADL-Stasi dossier**

Since the fall of the East German communist state in 1989, some of the archives of the Stasi and the East German Foreign Ministry have been declassified and made available to western researchers and reporters. Among the details now available are records of a series of meetings between top ADL and World Jewish Congress officials and leading figures in the East German government and communist party (SED) between 1986 and 1989, aimed at devising a strategy for saving the doomed communist state. Additionally, *EIR* has obtained over 5,000 pages of Federal Bureau of Investigation documents on the ADL under the Freedom of Information Act.

Through a review of this material, compared with other documentation we have assembled over the course of a 16-year investigation, we have put together the following account of 33 years of ADL-Stasi-KGB criminal collusion. There are sizable gaps in the dossier, but the story contained below is nevertheless a devastating tale of corruption, fraud, treachery, and violence. As further files from the secret Stasi archives find their way into the light of day, and as continuing police investigations into the spying efforts of the ADL turn up new evidence, the story will continue to be filled out.

Because of the complexity of the dossier, it is broken down for presentation here into a series of chronologically ordered case studies.

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## Case study 1: the Eichmann trial

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In 1961, a team of Israeli Mossad “commandos” kidnapped Nazi war criminal Adolf Eichmann from his South American hideout and brought him back to Israel to stand trial. Although the kidnapping was a clear violation of international law, there were few public objections. Many forces were set into motion to ensure that the impact of Eichmann in the docket would not be missed by present or future generations. For Israeli leaders, it was an opportunity to impress upon a generation too young to have gone through the horrors of World War II and the concentration camps, just what inhumanity was all about.

But, not every player on the stage was operating with the best of motives. The Anti-Defamation League of B’nai B’rith dispatched a top U.S. headquarters official, Arnold Forster, to attend the trials and work with Israeli intelligence officials as a “press liaison” to ensure that the American news coverage would be “spun” properly. Just five years earlier, the Eisenhower administration had reacted sharply when Israel joined forces with Great Britain and France to invade Egypt and seize the Suez Canal. During the early years of the State of Israel, many U.S. officials had considered the Zionist state to be a virtual satellite of the Soviet Union. For the ADL, which was already opening its office doors to Israeli espionage units, the Eichmann trial offered an opportunity to score big propaganda points with the American people on behalf of Israel.

Forster had already established his reputation as an adept propagandist. In the 1950s, he was caught by local police in New York State defacing a synagogue with Nazi insignias and slogans. The purpose of the vandalism? To generate fear among Jews and sympathy among non-Jews over the danger of an anti-Semitic upsurge in America. It was a shakedown racket borrowed from the pages of the Meyer Lansky crime syndicate. Forster boasted decades later in his autobiography, *Square One*, that he had worked on behalf of Israel’s Mossad from the time of the Eichmann trial. Those indiscreet admissions came back to haunt him in 1985 when his Mossad liaison, “Dirty” Rafi Eytan, was nailed as the controller of Jonathan Jay Pollard, the Israeli-Soviet spy who cost the United States billions of dollars and an undisclosed number of lost lives. Pollard’s stream of top-secret Pentagon documents had found their way to both Tel Aviv and Moscow during the early 1980s, when the outcome of the Cold War was anything but certain. In intelligence parlance, Pollard was a classic “false flag” agent, nominally working for Israeli intelligence but actually funneling some of America’s most important defense secrets to Moscow.

### Stasi and Eichmann

The ADL was not alone in its zeal to exploit the international spotlight cast on the Eichmann trial in Israel. The East German Stasi saw the trial as a great opportunity to drive a

wedge between West Germany and the other NATO countries, just as West Germany was emerging as an industrial power. *Washington Post* reporter Marc Fisher interviewed German military historian Michael Wolffsohn, who studied Stasi archives following the reunification of Germany, and reported on Wolffsohn’s findings on Feb. 28, 1993 under the headline “E. Germany Ran Anti-Semitic Campaign in West in ‘60s.” The article reported:

“Spies for Communist East Germany staged anti-Semitic attacks in West Germany in the 1960s to foment internal unrest in West Germany and discredit Bonn among its western allies, according to documents from the archives of the East German Stasi secret police. . . .

“In 1961, as the trial of Nazi war criminal Adolf Eichmann was getting under way in Israel, the East German Politburo ordered a secret campaign to convince the world that ‘revanchism and racial hate have once again found a place in West Germany.’ The Stasi arranged for East German Jews and intellectuals to send telegrams and hold press conferences in an effort to draw President John F. Kennedy’s attention to a wave of anti-Jewish incidents in West Germany. . . .

“The Stasi documents, found in the archives of the former East German State Security Ministry by Munich historian Michael Wolffsohn, show that many of those anti-Semitic attacks were organized and supported by communist agents.”

The *Post* account continued: “At the start of the Eichmann trial, the Stasi mounted ‘Action J,’ in which communist funds were funneled to the West’s small German Imperial Party for a public campaign to defend Eichmann and justify the need for exterminating the Jews through a wave of anti-Semitic activities. The Stasi found former Nazi SS officers in the West who were only too glad to take on the pro-Eichmann public relations drive.

“The Stasi was determined to make it look as if West Germany’s former Nazis were outraged by the sight of one of their former leaders facing the death penalty in Jerusalem. Stasi documents show that the communists organized anonymous chain letters in which ‘Veterans of the Waffen-SS’ who were really East German operatives called on West Germany’s World War II veterans to join in a public ‘struggle against Jewish Bolshevism.’ ”

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## Case study 2: intensifying the ‘Nazi hunt’

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It is not certain whether the ADL actions surrounding the televised Eichmann trial were in any way coordinated with “Action J” or whether the ADL had simply adopted identical agit-prop methods. However, in 1962, shortly after the trial, an American Communist and head of the U.S.-East German Friendship Society, Charles R. Allen Jr., penned an article titled “Nazi War Criminals in the U.S.A.,” which had all the

markings of East German-Soviet propaganda. The article was published in a Communist Party USA magazine, *Jewish Currents*, and targeted NASA scientist Dr. Hubert Stughold as an unrepentant Nazi. Allen named a total of 30 naturalized American citizens whom he claimed were all Nazi bigshots. He later acknowledged that the list had been provided to him by two "sources": Julius Mader, a well-known Stasi propagandist who published an annual *Who's Who in the CIA*, and KGB agent, writer Ernst Henry.

The same year, Allen wrote a pamphlet, "Heusinger and the Fourth Reich," which lambasted NATO as a rebirth of the Nazi Reich. His term "Fourth Reich" was adopted not only by the ADL and the World Jewish Congress, but also later by the British government of Prime Minister Margaret Thatcher in an effort to halt German reunification.

### 1970s: In search of Nazis in America

In November 1972, newly elected U.S. Rep. Elizabeth Holtzman (D-N.Y.), who had extensive backing from the ADL, immediately launched a campaign against the U.S. Immigration and Naturalization Service (INS), charging them with allowing Nazi war criminals to illegally enter the United States. No longer was Charles Allen, a known Communist operative, the leading spokesman for the "Nazi hunt." Holtzman's mother, Dr. Filia Holtzman, the chairman of the Russian Studies Department at Hunter College, was a leading scholar of Bolshevik writer Maxim Gorky and a Soviet sympathizer. Shortly after entering Congress, Holtzman brandished a list of 59 alleged Nazi war criminals living in the United States. She received the list from Dr. Otto Karbach, president of the World Jewish Congress (WJC). Dr. Karbach, in turn, admitted that he had received the list from Charles R. Allen, Jr.

Feeling the heat, the INS set up a one-man office in New York City to investigate the allegations. In April 1974, emboldened by the INS concessions and by the fact that Secretary of State Henry Kissinger had dispatched a delegation to Moscow to meet with Soviet Procurator General Rudenko to discuss the "Nazis in America," Holtzman called a press conference to formally charge the U.S. government with harboring Nazi war criminals.

Shortly after President Nixon's Aug. 9, 1974 resignation, Kissinger obtained authorization from Gerald Ford, to open formal negotiations with Moscow to establish ground rules for U.S.-Soviet collaboration in tracking down Nazis in America. Kissinger, a frequent recipient of ADL awards and financial largesse, traveled to Moscow to meet with Foreign Minister Andrei Gromyko, carrying the World Jewish Congress list of Nazi targets. He asked the Soviets to turn over their files and to facilitate access to East German and other Warsaw Pact state files on the people named by Moscow-Berlin asset Charles Allen. Moscow and East Berlin happily complied; however, at first, the vast majority of American judges hearing the immigration cases against the alleged war criminals refused to admit the Soviet bloc "evidence"—dem-

onstrating initially a healthy skepticism about the authenticity of the documents and the motives behind the Soviet bloc "cooperation."

In June 1975, Holtzman and Joshua Eilberg (D-Pa.) visited Moscow, conferring with Procurator General Rudenko about accessing Soviet files on the accused "Hitlerites." (Rudenko himself had been one of the notorious judges presiding over the Stalin "show trials" in the 1930s and had overseen the liquidation of thousands of Ukrainian anti-communists.) By October 1975, Holtzman and Eilberg were joined by the ADL's two top members on Capitol Hill, Senators Jacob Javits (R-N.Y.) and Abraham Ribicoff (D-Conn.). Both senators were honorary vice chairmen of the ADL. They received their own Soviet-manufactured list of 70 naturalized "Hitlerites" from yet another known Soviet agent, Ukrainian newspaper editor Michael Hanusiak. The New York City-based Hanusiak was recruited as a Soviet agent in 1969 while visiting Ukraine on a junket sponsored by the Ukrainian American League, a Soviet front group.

The efforts of the ADL congressional caucus received a boost in March 1977, when the New York Times Book Company published *Wanted: In Search of Nazis in America* by *Times* staff writer Howard Blum. The book was a rehash of the Charles Allen and Michael Hanusiak—i.e., Soviet—files. Five months after Blum's book appeared, the Justice Department created a Special Litigation Unit to consolidate prosecutions against all the alleged Nazis in America. By then the department was packed with ADL-sponsored attorneys tripping over each other to get to Moscow, East Berlin, and Warsaw to tap into the KGB-Stasi "files."

On March 28, 1979, Attorney General Griffin Bell announced the formation of the Office of Special Investigations (OSI) inside the Criminal Division of the Justice Department. The unit, initially given 1% of the entire department budget (\$2.3 million for starters), promptly hired 50 attorneys almost exclusively drawn from ADL-linked law firms, and set out to strike a formal pact with Moscow and East Berlin to lay the foundation for winning admission of Soviet bloc evidence in American courts of law. By the time the OSI opened its doors, the original WJC hunt-list of 59 alleged Nazis had swelled to a roster of over 500.

### 1980: Moving in for the kill

In January 1980, OSI Director Walter Rockler, the former personal attorney for Henry Kissinger who held the original 1971 Moscow meetings on the "Nazi" files, traveled to Moscow to meet again with Rudenko and his staff. Allan Ryan, Rockler's deputy and later his successor as OSI chief, attended the Moscow sessions and later described the sessions in his autobiography: "It was a wildly improbable marriage we were arranging, but as each detail was raised and resolved, we found ourselves coming closer and closer to final agreement." As the collusion deepened into an official diplomatic protocol, the ADL stepped out from behind the shadows to add a crucial new ingredient to the treacherous

liaison.

On July 10, 1981, ADL official Bruce Einhorn, then a serving attorney with the OSI, penned a memo to newly installed OSI chief Neal Sher urging him to extradite an appropriate "war criminal" to Israel to stand trial. With or without the blessings of Israeli officials, the ADL was committed to staging a new "Eichmann trial." This time, the ADL's effort would not merely run in parallel with the actions of the East German Stasi. They would converge.

Five months after the Einhorn memo spelled out the political and legal basis for a precedent-setting extradition to Israel, Sher met with top officials of the Israeli National Police to "select a candidate": Colonel Russek of the Israeli National Police, after reviewing OSI files, requested that John Demjanjuk, a Ukrainian-American auto worker from Cleveland, Ohio whom the OSI had falsely targeted as Treblinka's "Ivan the Terrible," be extradited to stand trial in Israel.

By this time, ADL had installed Elliot Wells as its full-time Jerusalem representative. Wells's main assignment was to line up "eyewitnesses" for the OSI prosecutors, whose main qualification was their willingness to corroborate the counterfeit evidence and doctored files passed on to the OSI by Moscow and East Berlin.

### Mission to East Berlin

In August 1981, the East German authorities invited Sher to East Berlin to discuss "evidence" in the Stasi archives that might assist the OSI in prosecuting alleged war criminals. At the meeting, the East Germans dropped the name of Arthur Rudolph, a key rocket engineer then working for NASA, who had been part of the German rocket team at Peenemünde. On July 14, 1983—less than four months after President Ronald Reagan's historic speech announcing the launching of the Strategic Defense Initiative (SDI)—opponents of the initiative, including government officials, joined in the ADL-Stasi bloodletting against German-Americans in an effort to bury the strategic defense program.

Richard Burt, a senior official of the U.S. State Department and former *New York Times* correspondent, sent orders to the U.S. Embassy in East Berlin to cooperate fully with officials in assembling a case against Rudolph. By March 1984, the 77-year-old engineer, driven to despair by threats that his family would be left impoverished, should he be denaturalized and lose his pension, agreed to "voluntarily" renounce his U.S. citizenship and leave the country. In return, he retained his pension from the U.S. government. One year later, the West German authorities totally cleared him of any involvement in Nazi war crimes. OSI officials had never once consulted with the West German agencies.

Caught off-guard when the West Germans cleared Rudolph, in April 1985, Neal Sher leaked confidential Justice Department files to the WJC head Edgar Bronfman, who launched an all-out propaganda offensive against the West German authorities for "covering up" for Nazi war criminals.

At a "World Gathering of Jewish Survivors of the Holocaust" sponsored by Bronfman the same month, Sher, still a U.S. official, wildly lied that NASA had 600 Nazi scientists on the payroll and that the entire U.S. military scientific program was based on the work of "Nazi scientists." Four months earlier, at the WJC's annual board of governors' meeting in Vienna, Austria, Bronfman signaled his personal détente with Moscow by calling upon world Jewry to mobilize to stop President Reagan's SDI.

Rankled over the bad turn in the Rudolph case, Sher and Bronfman turned to East German mouthpiece Charles Allen. In April 1986, Allen released a book-length version of his Soviet- and East German-fed propaganda, *Nazi War Criminals In America: Facts . . . Action: The Basic Handbook*. In that book, he denounced Lyndon LaRouche for defending a "Nazi war criminal," Krafft Ehrlicke, another leading Peenemünde scientist, who went on to play a pivotal role in America's space program. Appearing on a New York City radio interview with a Jewish Defense League member on April 18, 1986, Allen lied that Lyndon LaRouche had issued death threats against him, Neal Sher, and Elizabeth Holtzman.

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### Case study 3: the 'Get LaRouche' task force

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Allen's smear job against Lyndon LaRouche was neither the first nor the last occasion when the ADL and the Stasi would join forces to target the American political economist and statesman. In 1973, at the same time that Rep. Elizabeth Holtzman and Henry Kissinger were opening the Justice Department to Moscow and East Berlin's propagandists, another case of ADL-Stasi collusion surfaced. This time, it was the FBI that played the role of behind-the-scenes partner. FBI documents partially declassified and released under the Freedom of Information Act (FOIA) reveal that the FBI's Counterintelligence Program ("Cointelpro") targeted LaRouche for assassination in 1973. The FBI papers show that the FBI had encouraged Bureau "moles" inside the leadership of the Communist Party USA to undertake to "eliminate" LaRouche, in the belief that his death would destroy the National Caucus of Labor Committees (NCLC), the philosophical association he had founded in the mid-1960s.

At the same time, the East German Stasi ran a parallel operation inside West Germany, targeting an American LaRouche colleague whose employment required him to periodically travel into East Berlin. The American was drugged by the Stasi, apparently grilled for details about the LaRouche movement, and then dumped back in the western zone.

The FBI and Stasi efforts blew up in their faces on New Year's Day 1974, as LaRouche and his colleagues uncovered critical details of the East-West covert operations.

When leaflets and newspapers published by the LaRouche movement began appearing on the streets of New York City and a score of other American cities accusing the FBI and Stasi of collaborating in an assassination scheme, the ADL and the *New York Times* stepped in to launch a slander-disinformation campaign against the relatively unknown Lyndon LaRouche to discredit his charges. In early January, the *Times* devoted nearly 3,000 words, starting on the front page of a Sunday edition, to lying that LaRouche and his group was a “right-wing cult.” The article was widely distributed by the ADL, which, according to internal ADL correspondence, began immediately targeting individual associates of the LaRouche movement for harassment, and, in several instances, for kidnapping.

The January 1974 slander began a 20-year black propaganda collusion between the ADL and the Stasi against LaRouche and associates. Every slander published in the American or European media targeting LaRouche and policies associated with him from 1973 onward would come from the poison pens of either the ADL, the Stasi, the KGB—or all three.

### Stasi slanderer caught

Evidence of this collusion briefly grabbed headlines in Germany in February 1994, with the announcement by the German Federal Prosecutor’s Office in Karlsruhe that a West German journalist, Kurt Hirsch, had been arrested as a suspected Stasi spy. The 81-year-old Hirsch was identified as an agent of the Stasi’s Department X, the unit responsible for liaison with “friendly” foreign associations and intelligence organs. Among the missions assigned to Department X was the dissemination of disinformation and propaganda into the West. By the time of his arrest, Hirsch was such a valued asset of Department X that he was ordered to report directly to its deputy director.

In 1968, Hirsch founded the left-wing Democratic Initiative Press Service (PDI) and quickly was named the editor-in-chief of the service, which provided an extensive network of trade union leaders and Social Democratic Party (SPD) politicians with “documentation” on a wide range of subjects. By the mid-1970s, Hirsch had established particularly close collaboration with SPD apparatchik Klaus-Henning Rosen, a personal secretary to Chancellor Willy Brandt and the man placed in charge of the SPD’s bureau for monitoring right-wing activists. Rosen also happens to be the SPD’s contact point to the ADL and the World Jewish Congress, often conferring with the ADL’s Fact Finding Director, Irwin Suall. The fact that Suall was a leading figure in the American branch of the Socialist International greatly facilitated his collaboration with Rosen and, by extension, with Hirsch.

In 1980, the Rosen-Hirsch-ADL relationship deepened with the inauguration of *Blick nach Rechts* (*Glance to the Right*), a newsletter published by PDI which focused on “right-wing” activists in Germany. In 1983, Rosen arranged

to have the PDI/*Blick* formally taken over by the SPD, with Hirsch and the core staff remaining in charge of the publication. Bernt Engelmann, also of PDI, who translated Stasi propaganda files into widely circulated “exposés” of right-wing politicians, specialized in polarizing German politics on the eve of major national and regional elections. Hirsch boasted to a reporter about the mission of PDI: “We polarize election campaigns, something the SPD could and did not want to do. We kept young voters from voting for people with certain backgrounds.”

Recall Michael Wolffsohn’s review of Stasi files and his conclusion that virtually every neo-Nazi operation launched in West Germany, from the time of the Eichmann trial onward, was dominated by the Stasi, and was part of a protracted destabilization of West German politics. Wolffsohn told the *Washington Post*’s Marc Fisher, “There is no doubt that in the 1960s as now, there were Nazis who were unreconstructed, unchangeable and evil. But without the help of East Germany, these Nazis were incapable of a national, coordinated campaign. That was true of right-wing extremist criminals in the 1980s as well. . . . The East German Communists used anything they could against West Germany, including the legitimate fears by Western countries and Jews that a new Nazism could be growing in West Germany. There is . . . evidence that the East Germans continued to use anti-Semitism as a tool against West Germany in the 1970s and perhaps right up until 1989.”

Did the Stasi “neo-Nazi” covert war against West Germany end with the fall of the Berlin Wall and the collapse of the East German communist state? Not according to Wolffsohn, who continued: “There can be no denial of the very depressing fact that the general German public has been willing since 1991 to accept these acts against foreigners. But it is still reasonable to suspect that former Stasi officials are continuing their efforts to undermine the German image abroad.”

### Target: Schiller Institute

The Stasi “neo-Nazi” operations in West Germany allowed Hirsch and company to tar legitimate German patriotic organizations, including LaRouche’s Schiller Institute, with the brush of “right-wing extremism.” From the 1980 launching of *Blick nach Rechts*, Hirsch, Rosen, and Engelmann repeatedly turned their Stasi propaganda sheet over to attacks against LaRouche. Between 1985 and the early-1994 arrest of Hirsch, over 30 slanders against LaRouche and his German associates were published. In one of the very first issues of *Blick*, Rev. Friedrich-Wilhelm Haack, a Protestant minister who came to Bavaria from East Germany in the mid-1950s, penned an article labeling LaRouche and his associates a “political cult.” Haack was the West German representative of a U.S.-based ADL front group called the Cult Awareness Network, which has since been identified as an international kidnap-for-hire gang, employing hooligans to kidnap and “deprogram” children of wealthy families who

became involved with either religious or political groups on the ADL's "hate list."

### **Strategic Defense Initiative**

The "Get LaRouche" effort took on greater urgency for the ADL and the Stasi beginning in the early 1980s, when LaRouche's ideas, especially his proposal for a strategic ballistic missile defense system, gained wide acceptance among senior officials of the Reagan national security apparatus. On March 23, 1983, President Reagan delivered a nationwide television address announcing the Strategic Defense Initiative (SDI). Reagan's SDI was unmistakably based on LaRouche's longstanding plan for a joint U.S.-Soviet effort to render nuclear weapons obsolete and to simultaneously launch a science-driven global economic recovery. Moreover, as some senior Reagan officials were well aware, for 14 months preceding March 23, 1983, LaRouche had been functioning as an informal "back-channel" between President Reagan and leading Soviet officials, discussing the prospect of Soviet-American collaboration on the SDI.

When the regime of Yuri Andropov decided to reject the Reagan-LaRouche offer, the ADL-Stasi propaganda machinery was kicked into high gear on Moscow's orders. Within a month, ADL officials were in the middle of an ambitious effort to break the Reagan-LaRouche links, and to lay the basis once again for LaRouche's physical elimination—either through assassination or imprisonment.

It had been almost 10 years to the day since the FBI solicited the aid of the Communist Party USA and the Stasi to attempt to assassinate LaRouche. On April 23, 1983, ADL officials, joined by a group of 20 U.S. journalists and representatives of the George Bush-Ollie North "secret, parallel government" who were opposed to the SDI, gathered at the New York City offices of Wall Street banker John Train to plan out a media campaign against LaRouche that was to be coordinated with efforts of federal prosecutors aimed at shutting down the LaRouche movement.

One participant in the Train "salon" session, ADL-FBI joint asset John Rees, was dispatched in May 1983 to Minneapolis, to attend a gathering of American and Soviet opponents of the SDI. The session was attended by a prominent KGB "journalist" Fyodor Burlatsky, a personal spokesman for Andropov. Within weeks, Burlatsky wrote his first attack against LaRouche in Soviet *Literaturnaya Gazeta*. Dozens of similar smears soon followed, and the shrillness of the Soviet attacks increasingly moved in the direction of demands for LaRouche's elimination. The ADL operated the identical propaganda push in the United States.

### **1986: the Palme assassination**

All of these combined "Get LaRouche" efforts reached a crescendo in the beginning of 1986, when a major scandal erupted compromising one of the most closely held secrets about the evil collaboration between East bloc and western

secret services.

In September 1985, one of the most important Stasi operations ran into serious trouble as the result of a criminal raid against the offices of a Swedish arms dealer in Malmö. On Sept. 29, 1985, Swedish authorities raided the offices of Scandinavian Commodities AB, an import-export firm run by Swedish businessman Karl-Erik "Bobbo" Schmitz. They seized thousands of pages of documents revealing a vast network of western and eastern European companies engaged in funneling billions of dollars a year in explosives and arms to Iran, then at war with Iraq. The scandal was a serious blow to Swedish Prime Minister Olof Palme, who was then heading a United Nations peace commission on the war and attempting to enforce a global arms embargo against the belligerents. For Palme, the revelation that Sweden's largest industries, Bofors and Nobel, were among the leading suppliers of explosives to Iran, was devastating.

Among the documents seized at Schmitz's offices were detailed transaction reports on arms shipments to Iran via an obscure East German shipping firm, IMES GmbH, headed by Alexander Schalck-Golodkowski, a high-ranking Stasi official. Incredibly, some of the Swedish arms shipments handled by IMES were delivered to Iran via a circuitous route aboard Santa Lucia Airlines cargo planes. Santa Lucia Airlines was a CIA front company, used by Lt. Col. Oliver North, Maj. Gen. Richard Secord, Albert Hakim, and other players in covert U.S. programs to arm the Nicaraguan Contras and secretly arm Iran in exchange for the release of American hostages in Lebanon.

The Malmö documents offered Palme a trump in his dealings with both Moscow and Washington. But before Palme could decide what to do with the evidence of massive East-West collusion in a multibillion-dollar illegal arms bazaar, he was gunned down on the streets of Stockholm on Feb. 28, 1986.

The Palme assassination buried more than the Swedish head of state. The entire Schmitz-Schalck-North collusion was immediately covered up. When Schmitz eventually went to trial in early 1989, the case was reduced to a violation of Swedish Customs procedures; he walked away by merely paying a \$1,000 fine.

Schalck-Golodkowski remained in business until the fall of the Berlin Wall, at which point he packed up his business files, "offered his services" to western intelligence, and signed a secrecy deal with the Central Intelligence Agency. Efforts by a West German parliamentary commission to pierce the veil of Schalck's "commercial" empire failed miserably, and to this day, this most critical Stasi operation is still one of the best kept secrets of the Cold War.

### **The coverup of the decade**

In the winter of 1985-86, things were touch and go for the East-West intelligence demi-monde as the result of the Malmö raids and the nearly simultaneous arrest of U.S. Na-



val Intelligence analyst Jonathan Jay Pollard as an Israeli spy. Pollard's activities were part of an elaborate series of deals then being worked out between Moscow and Tel Aviv, with the ADL and WJC as intermediaries. The deals involved joint espionage against American national security targets, the easing of emigration restrictions on Soviet Jews wishing to leave the U.S.S.R. (provided they were willing to move only to Israel), subsidized shipments of grain to the Soviets, and a host of other multilateral arrangements. The arrest of Pollard set off alarm bells at ADL headquarters, in Moscow, East Berlin, and Tel Aviv, which scrambled to establish a worldwide "damage control" operation.

The assassination of Olof Palme and the coverup of his killing was perhaps the highest-level East-West covert operation of the decade. Within hours, press organs of the Soviet and East German state were cranking out pre-arranged black propaganda pinning the assassination on European associates of Lyndon LaRouche. Across the Atlantic, in New York City, ADL's espionage chief, Irwin Suall, was lining up American news organs to pick up the East bloc disinformation, beginning with NBC-TV. Suall personally traveled to Stockholm to meet with Swedish police investigators to reinforce the East German-conducted line that "LaRouche killed Palme"; and he was joined by NBC-TV producer Patricia Lynch to peddle the disinformation to U.S. Justice Department prosecutors in Boston, who were readying a railroad indictment against LaRouche and a score of his associates on a string of manufactured financial crimes.

Eventually, Swedish police had to drop the "LaRouche killed Palme" track of investigation when one purported "lead" after another sent them down false trails. But long after Swedish authorities definitively dropped the LaRouche probe, ADL and Stasi propagandists kept up the drumbeat. The fall of East Germany eventually opened a window into the ADL-Stasi "LaRouche killed Palme" lie.

The Aug. 20-26, 1990 issue of the Swedish magazine *Journalisten* published a lengthy article, blaring, "Stasi Behind the Wall. He Plants Red Herrings about the Palme Assassination," by Christoph Andersson. The story was based on an interview with Herbert Brehmer, a former disinformation officer employed by the Stasi's Department X, the same department behind Kurt Hirsch's PDI operations in West Germany. Andersson wrote: "Three days after the assassination of Olof Palme, Department X was ordered to become involved in the Swedish police investigation. The Department was supposed to decide what person or persons might be Palme's assassins. . . . Brehmer was selected as the team leader. 'It was necessary to find a way of interpreting important events to fit our world view at that time. This approach categorically excluded considering anyone from the leftist fringe as a possible perpetrator. The crime could only have been committed by a right-wing extremist. This was something we wanted to persuade the police leaders in Stockholm of rather quickly,' says Herbert Brehmer.



*Swedish Prime Minister Olof Palme and his wife Lisbeth in Stockholm. The minute he was gunned down on Feb. 28, 1986, the ADL/Stasi networks geared up to pin the killing on Lyndon LaRouche. Thanks to their disinformation efforts, his murder remains unsolved.*

"The EAP [LaRouche's Swedish affiliated European Labor Party] was an easy target for Department X. In its publications, the EAP had called Palme 'a raging animal, an axemurderer, a devil's devil. . . .' Brehmer had found a motive and a group which was conceivably capable of assassination. 'At my writing table I drew up guidelines for how the EAP theories would be injected into the Swedish police investigation. The plan was to have a Swedish newspaper of national circulation receive an anonymous telephone tip. This was to be delivered soon—in the week following the assassination.'

" . . . There were a number of advantages connected with the selection of the EAP. First of all, the lack of proof could be balanced out if the newspaper reporters found something such as some actual, if remote, connection between the EAP and the assassination. Secondly, the tip itself was expected to contribute to diverting the attention from the 'guaranteed innocent' left-wing groups. . . . Thirdly, the media and police could be expected to influence each other to examine the EAP and other extreme right-wing organizations in more



detail. And fourthly, it was expected to be possible to connect the West German security police and counterspy organizations, the so-called West German Office for the Protection of the Constitution, to the assassination. In fact, the chief of the West German security police happened to be a close relative of one of the leaders of the West German EAP. 'Accordingly, the G.D.R. [East Germany] should be able to utilize foreign media personnel in focusing on the EAP. The citizens of the G.D.R. trusted western media personnel more than eastern. Accordingly, the western media personnel would be able to assist the G.D.R. in maintaining the picture of a fascist threat from the West. This also played a certain part' in the considerations, according to Brehmer."

*Journalisten* went on to spell out the details of the massive Stasi operation, including a tantalizing description of some of the agents used in the disinformation program. One agent, identified as Unofficial Agent No. I/2191/78, fit the known profile of Irwin Suall: "The personnel and records department, Department XII, selected 89 potential undercover agents in the secret unofficial category. All were considered suitable for operating in Sweden. Some had family (blood relations) in Sweden, others had married Swedes, and others had studied the Swedish language in the G.D.R. Four of these candidates were deemed especially well suited. Two of these were unofficial agents who were permanent residents of Sweden, probably a married couple. Another was Unofficial Agent (IM) No. I/2191/78, who had 'excellent connections in government and political circles in Sweden and with leading members of the SAP [the Socialist Labor Party]. . . . All this information is from Stasi documents which the German authorities recently made available to journalists. The actual names of the agents are still kept secret.

"Says Brehmer, 'Despite the fact that my operation was changed or deflected in mid-course, Stasi eventually achieved its goal. I still remember how happy we were when the 33-year-old was arrested for the assassination. His contacts with the EAP contributed to the virtually universal abhorrence of the EAP. This was the objective which was envisioned in 1986.' "

Stasi Department X, the employer of both Herbert Brehmer and Kurt Hirsch, surfaced once again in Michael Wolffsohn's investigation, and again it was in the context of the joint ventures with the ADL and the World Jewish Congress.

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## Case Study 4: Shabtai Kalmanowitch

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The June 28, 1994 *Frankfurter Allgemeine Zeitung* newspaper carried the short but provocative exposé by Wolffsohn, expanding upon an earlier story in the same paper on the collusion between the Stasi and Edgar Bronfman.

In December 1990, Wolffsohn had written about exten-

sive contacts between Bronfman's World Jewish Congress and top officials of the East German regime going back to 1986. By 1989, East Germany was going through its death throes, and word had already been conveyed from Moscow to East Berlin that a Soviet pullout from most of eastern Europe was a foregone conclusion. Contingency planning for a controlled transition to "post-communist" independence or eventual reunification was the order of the day. The East German regime and its vast Stasi spy apparatus had to focus its efforts on winning friends and influencing people in the West. After decades of satisfying collusion, it was only natural that the East Germans turned to a select group such as Bronfman and grain magnate Dwayne Andreas to take Berlin's case before the U.S. President, the American Congress, and the American people.

Edgar Bronfman, scion of a Prohibition-era organized crime family that had made the successful transition to "legitimate" business, was already an active propagandist for Soviet "reform" President Mikhail Gorbachov. From the first day of Gorbachov's accession to power, Bronfman and fellow ADL bankroller Dwayne Andreas had lobbied hard for special status for the new, improved Soviet Union. In countless newspaper commentaries, speeches, and testimony before Congress, Bronfman and Andreas had argued for the repeal of the Jackson-Vanick Amendment that pegged U.S. economic aid to improved human rights for Soviet Jewry, Most Favored Nation trading status, and lucrative American grain give-aways, all in the name of saving Moscow's crumbling "Evil Empire."

As co-chairmen of the U.S.-Soviet Trade and Economic Council (USSTEC), both Bronfman and Andreas had made lucrative business deals with Moscow. From his power-base as president of the World Jewish Congress, Bronfman arranged a series of meetings for European WJC officials with senior East German officials, beginning in 1986. In 1988, he personally led a delegation of WJC and Seagram's whiskey officials to East Berlin to strike a series of deals with East German dictator Erich Honecker. Tens of millions of dollars in contracts for Seagram's liquor sales in East Germany were consummated during Bronfman's brief visit, and in return, he promised to win MFN status for East Germany, and even to secure an official state visit to Washington for its dictator Erich Honecker. All of these machinations were carefully recorded by officials of the Americas Department of the East German Foreign Ministry. Those files were found following reunification and made available to Wolffsohn.

World Jewish Congress officials were still journeying to East Berlin weeks after the fall of the Berlin Wall, still vowing to preserve the independence and economic stability of the East German communist state. Wolffsohn carefully documented all of this in his December 1990 *Frankfurter Allgemeine Zeitung* story.

In his February 1994 story, Wolffsohn returned to the subject of Department X. Not only had the unit been assigned

the task of launching a "friendship offensive" toward American Jewish organizations in the mid-1980s, but Department X was also responsible for negotiating an important spy swap with Israel. It was a case in which certain "American Jewish" organizations already had a vested interest.

The central character in the spy swap effort was a Lithuanian-born Jew named Shabtai Kalmanowitch, who emigrated to Israel in 1971 and found himself rapidly brought into the inner circles of Labor Party Prime Minister Golda Meir. Because of his family ties to prominent "refusenik" networks in the U.S.S.R., Kalmanowitch was placed in a special eastern European unit within the Prime Minister's Office and, later, the Labor Party, responsible for drawing eastern European and Soviet Jews to Israel. Some of the "refusenik" networks also served as important intelligence sources for the Mossad on the Warsaw Pact. Israel's ability to garner sensitive East bloc intelligence gave the Mossad tremendous leverage with the CIA and other U.S. agencies, which were largely unsuccessful in developing "human intelligence" sources behind the Iron Curtain.

Kalmanowitch turned his Soviet connections into a fortune by the mid-1970s. Somewhere along the way, he came into close contact with an American precious metals speculator, Marc Rich, who counted Secretary of State Henry Kissinger among his most intimate friends. Rich and Kalmanowitch made millions of dollars together stealing a number of small black African states blind.

An adept reader of political tea leaves, Kalmanowitch made a smooth transition from Labor to the right-wing Likud party in time for Menachem Begin's 1977 election as prime minister. During the elections, Kalmanowitch managed the Knesset campaign of Samuel Flatto-Sharon, a French-born gangster who fled to Israel and ran for parliament largely in order to gain immunity from extradition back to Paris. Flatto-Sharon won his Knesset seat, and promptly made Kalmanowitch his chief of staff. Flatto-Sharon gained brief notoriety by standing up before the Knesset and calling for Israel to create "killer squads" to go out and assassinate such "anti-Semites" as Austrian President Kurt Waldheim, Pope John Paul II, and Lyndon LaRouche.

In 1978, Kalmanowitch managed to insinuate himself into the very center of East-West intrigue, becoming Israel's negotiator in a series of spy swaps involving the United States, Israel, the Soviet Union, and East Germany. His "trading partners" in these ventures, which began with the freeing of a KGB spy, U.S. Air Force officer Robert Thompson, a Mossad operator in Mozambique, and a CIA operator in East Berlin, were East German "lawyer" Wolfgang Vogel, and American Rabbi Ronald Greenwald. Greenwald, aside from his rabbinical duties and his work for the CIA as a spy negotiator, dabbled in commodity speculation. His boss in the latter ventures was Marc Rich. Greenwald's "talents" came to the attention of Oliver North, who used the rabbi's front company, B International, for a series of secret mis-

sions, including flubbed March 1986 coup attempts in Suriname and Ghana, and an equally unsuccessful try at obtaining a Soviet T-72 tank from Poland in exchange for a delivery of U.S.-made light weaponry and police equipment.

Vogel's spy-swapping efforts were coordinated out of Stasi Department X. But the financing of his activities came from two Stasi bank accounts personally managed by Alexander Schalck-Golodkowski, the head of IMES and the Stasi's principal arms dealer, including delivery to Iran and to the Nicaraguan Contras via a variety of channels, among them Swedish arms broker Karl-Erik Schmitz.

Kalmanowitch, the covert KGB agent ensconced in the center of Israeli intelligence, parlayed his new-found friendship with Rabbi Greenwald into an entrée into the North-Secord "secret team." During 1984-86, Kalmanowitch helped arrange a series of super-secret meetings between officials of the CIA, the Soviet GRU (military intelligence) and other intelligence services. Some of the meetings took place at the Stamford, Connecticut offices of Marc Rich.

Rich was himself a fugitive from American justice, having violated the "Trading With the Enemy" Act by selling Iranian oil on the world market long after the United States had imposed a boycott. When the covert pipeline of military aid to Iran was opened up by the U.S. administration as part of the effort to free the American hostages in Lebanon, Director of Central Intelligence William Casey deployed Washington lobbyist Robert Keith Gray to meet with Rich and obtain his help in setting up channels to Khomeini. Rich complied, and in return, U.S. Attorney for the Southern District of New York Rudolph Giuliani cut a deal which led to a settlement of some of the legal cases against Rich.

By the mid-1980s, Kalmanowitch was working for the Mossad and for Ollie North—all the while concealing his double-dealings on behalf of the KGB. His luck ran out on Dec. 23, 1987, when he was arrested by the Israeli police as a suspected KGB spy. Immediately, the Stasi turned to the ADL and WJC to press for his early release from an Israeli prison.

The ADL had already established its credentials as world-class "damage controllers." When another KGB-Mossad shared spy ran afoul of the U.S. authorities, in November 1985, ADL officials were quick to launch a successful damage control effort that saved a number of key Israeli officials, including "Dirty" Rafi Eytan, from the wrath of American prosecutors. The 1985 case, involving U.S. Naval Intelligence counter-terror analyst Jonathan Jay Pollard, had, unfortunately for Kalmanowitch, caused such bad blood between some Americans and their Israeli counterparts, that there was no real prospect of a happy ending to the Kalmanowitch spy swap effort.

Nevertheless, it was the thought that counted; and, when the Stasi found itself confronted with a serious problem, its thoughts often turned to the ADL. And rarely were they disappointed.