

Explosive new developments in Nebraska child abuse case

by Allen Douglas

Six years ago, on June 21, 1991, Alisha Owen, a 15-year-old victim-witness in the infamous child abuse case centered around the Franklin Credit Union in Omaha, Nebraska, was found guilty of perjury, and sentenced to 15 years in jail, where she remains today. Dr. Judianne Densen-Gerber, a New York expert on child abuse who had investigated the case for the state Senate's Franklin committee, commented about Owen's conviction in a rigged, 30-day trial, "This is unprecedented, probably in the history of the United States. If the children are not telling the truth, particularly if they have been abused, they need help, medical attention. You don't throw them in jail."

But, Owen, and the other children, were telling the truth, and the evidence reached all the way up to then-President George Bush. Bush was Vice President during Franklin's heyday in the mid- to late-1980s, and his name came up repeatedly in the case. Now, dramatic developments could finally prove the children's allegations: Rusty Nelson, the lover and official photographer of Franklin Credit Union boss Larry King, has reappeared, together with a cache of some 100,000 Franklin-related photographs and documents; after years on the run, Nelson is finally willing to testify. Owen and other victim-witnesses had stated that Nelson was a central figure in the case; the FBI, and corrupt local police, had claimed that Nelson either did not exist, or was insignificant to the case.

The question is: Will the friends and protectors of George Bush have Nelson killed, or declared insane before he can do so? As documented in the 1996 *EIR Special Report* "George Bush and the 12333 Serial Murder Ring," the Bush-leaguers have a habit of having people killed to cover up their dirty deeds.

The Franklin case

Most child abuse cases, if they manage to get into court, usually dissolve in a welter of confusion, so traumatized are the victims, so unbelievable are many of the crimes, and so corrupt are the legal, judicial, and media establishments involved.

The Franklin case, by contrast, has been documented with extraordinary clarity by Owen's attorney, former Nebraska legislator John DeCamp, in his book, *The Franklin Cover-Up*:

Child Abuse, Satanism and Murder in Nebraska.¹ Perhaps the best brief summary of the case is taken from its back cover, which has sold 60,000 copies without a penny spent in advertising:

"The shut-down of Omaha, Nebraska's Franklin Community Federal Credit Union, raided by federal agencies in November 1988, sent shock waves all the way to Washington, D.C. \$40 million was missing. The credit union's manager: Republican Party activist Lawrence E. 'Larry' King, Jr., behind whose rise to fame and riches stood powerful figures in Nebraska politics and business, and in the nation's capital.

"In the face of opposition from local and state law enforcement, from the FBI, and from the powerful *Omaha World-Herald* newspaper, a special Franklin committee of the Nebraska Legislature launched its own probe. What looked like a financial swindle, soon exploded into a hideous tale of drugs, Iran-Contra money-laundering, a nationwide child abuse ring, and ritual murder.

"Nineteen months later, the legislative committee's chief investigator died—suddenly, and violently, like more than a dozen other people linked to the Franklin case.

"Author John DeCamp knows the Franklin scandal from the inside. In 1990, his 'DeCamp memo' first publicly named the alleged high-ranking abusers. Today, he is attorney for two of the abuse victims."

If they both stay alive, DeCamp may soon be Rusty Nelson's attorney, as well.

Willing to testify

Nelson was arrested recently in Oregon, on charges of pornography unrelated to Franklin. However, local police found in his possession, not only a hoard of Franklin-related material, but DeCamp's book. Contacted by the police, DeCamp went to Oregon. There, as he stated in an April 28 affidavit, just released to *EIR*, which he wrote in order to stop Nelson's material from being destroyed, "I viewed the materials for several hours. . . . Though I was only able to

1. The second edition of DeCamp's book may be ordered from AWT, Inc., P.O. Box 85461, Drawer B, Lincoln, Nebraska 68501, for \$9.95 plus \$3 shipping and handling.

examine a fraction of the tens of thousands of pictures and negatives and notebooks and other materials of Rusty Nelson, one thing was clear from my examination. . . . That fact is that pornographic materials and documentation going back to and through the entire period of the 1980s which involved Franklin are part of these materials and will . . . almost certainly prove the truth of the children's stories with respect to Franklin personalities."

DeCamp secured a temporary injunction against the destruction of the material; Nelson has not been so fortunate in his legal efforts. Upon his arrest, an attorney who had "just so happened" to walk in off the street and volunteered to defend him, for free, attempted to have the material destroyed, as part of a plea bargain. Nelson was opposed to this, and repeatedly attempted to fire his attorney, as is his right by Oregon state law. To stop that, the presiding judge declared that Nelson should have a psychiatric examination, to see if he were competent to participate in his own defense, i.e., to fire his lawyer. Nelson was shortly thereafter committed to a psychiatric institution in Salem, Oregon. DeCamp told *EIR* on July 19, "He is no more crazy than you or I. And, I am certain, that his life is in the utmost jeopardy" (see *Documentation*).

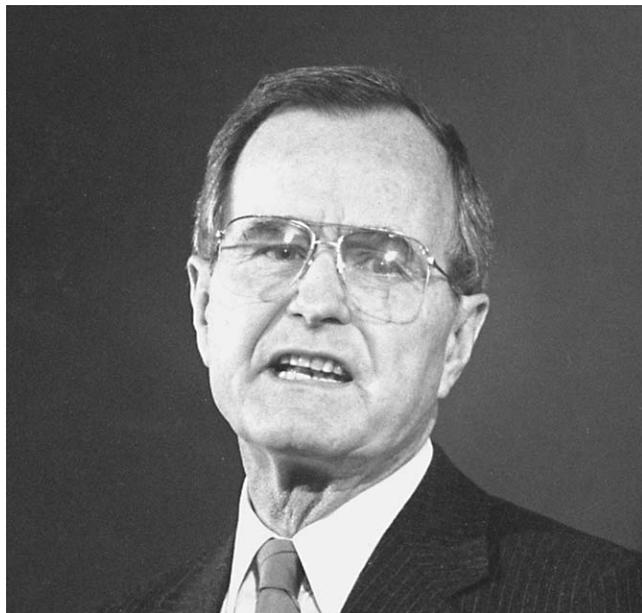
Wadman and the FBI: protecting the abusers

Besides his national patrons, Larry King was well-protected locally, by Omaha police chief Robert Wadman. Wadman had been named by Alisha Owen, and other children, as her chief abuser. Owen had repeatedly identified Rusty Nelson as someone who could prove her charges against Wadman, King, and others. Under oath to the Senate's Franklin investigative committee, Wadman was asked about his alleged "investigation" of Nelson:

"We had a situation where we were advised that there was a possibility of child pornography. . . . We investigated it, found the photographer to be, you know, legitimately involved in the photography business. . . . The only involvement is that this individual had subleased his studio apartment from Larry King, and that was the extent of our investigation into pornography-related activities involving Mr. King in any direct way."

On Oct. 13, 1989, Wadman testified again before the Nebraska Senate's Franklin committee, pleading that the FBI looked at the case exactly the same way he did. Said Wadman to the committee's attorney, John Stevens Berry: "The tough thing with this, Mr. Berry, is that we have the FBI who conducts an investigation and basically says the same things that we have said. If the FBI—are they now linked to this cover-up in some way? Should the Justice Department be investigated as somehow or another assisting in this 'cover-up'?"

As DeCamp noted drily, in recording this exchange in his book, "Wadman said it, but in this case it's true." DeCamp devoted an entire chapter to the FBI's heinous role in the affair, beginning with the fact that Wadman's closest friend



Damning new evidence implicating George Bush in the child abuse case centered around the Franklin Credit Union in Omaha, Nebraska, is at hand—if a key witness can be kept alive.

in Omaha was FBI Special Agent in Charge for Omaha, Nick O'Hara. Among other things, the FBI:

- Repeatedly intervened against Franklin committee chief investigator Gary Caradori, to hide or destroy evidence. Caradori and his nine-year-old son were killed on July 11, 1990, when his plane blew up in mid-flight, as he was returning to Nebraska with evidence which, he had told associates, "would blow the case wide open."
- Threatened the children victim-witnesses with long jail terms, if they told the truth, or that they would die mysteriously, as did victim-witness Troy Bonor's brother.
- Called Franklin committee Chairman Sen. Loran Schmit and DeCamp in to threaten them, if they continued the investigation. Schmit and DeCamp were interrogated by O'Hara, as if *they* had perpetrated a crime.

This perversion of justice by the FBI continues today, as documented in Nelson's affidavit (see *Documentation*).

Bill Colby and the 'Monarch Project'

As DeCamp revealed in the second edition of his bestseller, former CIA chief William Colby was the key figure pushing to investigate Franklin right from the beginning. Colby and DeCamp had been very close since the days when Colby was DeCamp's commanding officer in Operation Phoenix in Vietnam. And, on Nov. 22, 1993, Colby wrote to Attorney General Janet Reno, to request her assistance in getting to the bottom of the Franklin case. Enclosing a copy of DeCamp's book with his letter, Colby noted that he himself had been engaged to investigate aspects of the case, and that he had every "confidence in the integrity and rationality of my old

friend,” John DeCamp—a ringing endorsement of the devastating charges in DeCamp’s book. Despite the promise by Reno underling George C. Burgwasser, Acting Chief of the Department of Justice Child Exploitation and Obscenity Section (see graphic) to review the case, the DOJ did nothing.

Colby was particularly interested in one of the most sensitive aspects of the case: The highly sophisticated brainwashing carried out against some of the children, through creating Multiple Personality Disorder, in order to program them to be spies, assassins, drug couriers, or prostitutes. Such conditioning, the children testified, was known as the “Monarch Project.” It was based, at least in part, at the extremely secretive Strategic Air Command base at Offutt Air Base in Omaha—to which Larry King had ready access. Already back in 1975, Colby had enraged many in the dirty side of the U.S. intelligence community when, in testimony to the U.S. Senate Intelligence Committee, he lifted the lid on many of that community’s “mind war” operations. Though blamed on the CIA, most of this had been carried out, as the Offutt example indicated, by the Pentagon. Colby was dumped as CIA chief shortly thereafter, and replaced by George Bush.

Colby strongly pushed DeCamp to write his book, insisting that it was the only way to protect his life, in a case where the stakes were “so extraordinarily high.” In late April 1996, Colby himself was found dead, under mysterious circumstances, in a river near his vacation home on the Chesapeake Bay in Maryland. As DeCamp notes in the final chapter of his second edition, besides Colby’s involvement in Franklin, he had also been snooping around in the activities of London’s Lord William Rees-Mogg, former editor of the London *Times*, and had specifically warned DeCamp against Rees-Mogg’s bird-dog, Ambrose Evans-Pritchard. Colby had also told DeCamp that Bill Clinton, whom Rees-Mogg and his friends were committed to destroying, was a “great President,” and that it were urgent that Clinton be re-elected.

All roads lead to Bush

The lead editorial of the July 23, 1989 *Omaha World-Herald*, in reporting on the Franklin case, noted that “one child is said to believe that she saw George Bush at one of King’s parties.” The *World-Herald’s* reference to Bush was disingenuous, given that, in interviews with abuse victims, child psychiatrists, community activists, and others, George Bush’s name repeatedly popped out.

Rusty Nelson, too, has raised Bush’s name. There is apparently evidence on Bush in Nelson’s vast archive of photographs and records, but Nelson has also told DeCamp of one incident, in which Secret Service or FBI agents came in to sweep a room, before Bush and a group of VIPs entered for one of Larry King’s parties. Present in the center of the room were two punch bowls, one with alcohol, and one with cocaine, for Bush and his friends.

As indicated in the *Documentation*, Nelson could say much more, if the Justice Department and George Bush don’t shut him up first.

Documentation

Excerpts from an affidavit by Rusty Nelson. Some punctuation has been added.

The following I believe to [be] true to the best of my knowledge. It is of severe consequence and grave danger to myself and family that I am providing an account of my experiences in an affidavit, let alone the vast amount of physical evidence I obtained during my association with Larry King of the Franklin Credit, and I have had over the years in my possession, in the years following which, I have been on the run from those involved with its cover-up, money laundering, abuse of children and prostitution. . . .

As the things that I hid away, in the cave on the cliff and the mine, should prove incredibly damaging to various high-ranking figures in government and business, and on not only the local area, but on a national scale, as the events that transpired went all the way to the top! There were things done by the FBI, the Secret Service to facilitate the cover-up, along with numerous others. Over the years, I’ve had in my possession vast areas of photographs, copies of documents, secret diaries and such, which on many occasions people have attempted to rid me of, and even attempted to “eliminate” me, for they are [a] missing link to incriminate numerous people into positions of ultimate jeopardy. This information I brought forth and that I shared with Gary Caradori ultimately led to his untimely demise. *His plane did not* just break apart by chance [emphasis in original]. The items I shared with Mr. Caradori included audio tapes I had secretly recorded, photographs of various acts of wrongdoing, including group sex parties with children; bank documents; even drug trafficking list of people’s names and such that I could acquire related to their involvement. This information was “not all lost” with him, as some of which I made copies for my own protection if needed. These are the items I have attempted to stash away for safekeeping, as I tried to place them in places of which would have extremely limited access.

I am agreeable to seeing justice be served on the Franklin matter, and will do what I can to assist. . . .

The following is a partial transcript of a telephone conversation between John DeCamp and Rusty Nelson on July 18. Nelson was speaking from a psychiatric institution in Salem, Oregon, to which he had been consigned as part of an effort to cover up the Franklin case. Some punctuation has been added.

DeCamp: Hello, hello, Mr. Rusty. How are you?

Nelson: Good, I guess, all things considered.

DeCamp: Listen, I guess you were sitting there when I had a fairly intense and in-depth discussion with the psychiatrist. . . . I’m sending her a bunch of stuff . . . several copies of my book . . . and a report of the Franklin Committee of the Nebraska Senate. Just so you know, I’ve taken a number of pieces of the information you’ve provided me, and I want

you to be aware of these three or four things. Everything I've done, I'm trying to do for your protection. . . . Number one, I explained to her how seriously, at least I'm personally taking this, and my biggest concern is for your health, safety and welfare, because anyone who has been in a key position like you are, with information that could jeopardize others, has ended up dead, from Caradori to others who have "committed suicide," and others about the time they were willing to testify. I think she understands how serious it is, and she assured me that she would offer protection. . . .

Nelson: She is about the only person I've come across out here, who even pays me an ounce of heed toward what's happening. I mean, the other people are just saying "all right." They've got me listed [as] hallucinating.

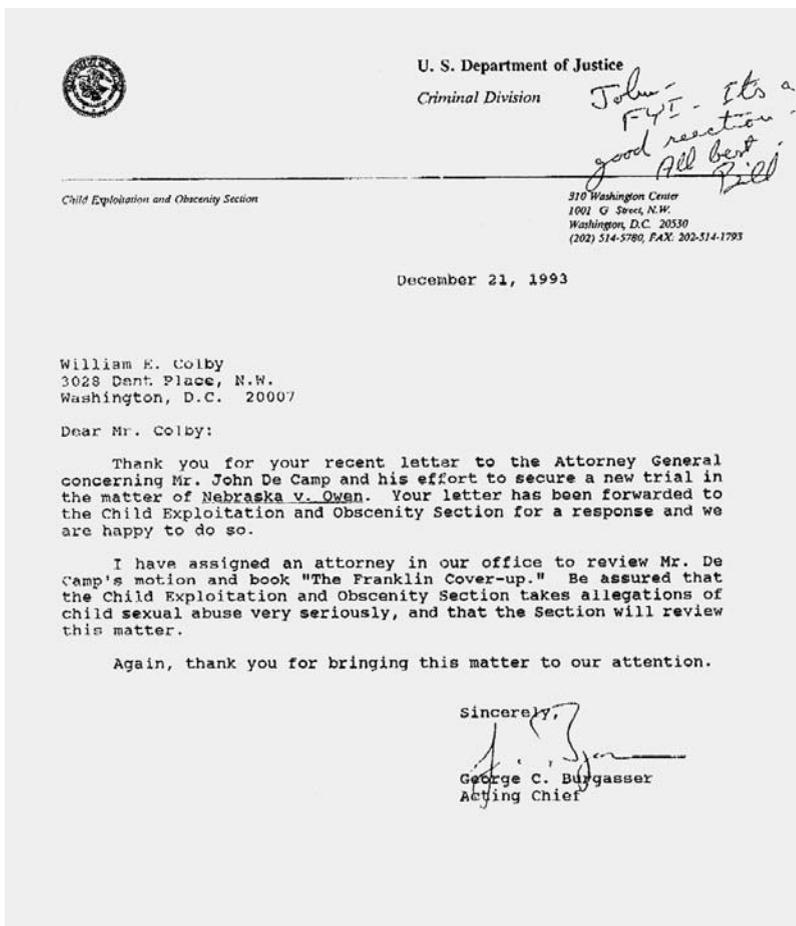
DeCamp: Delusional.

Nelson: Delusional. . . . In all my reports, and they are trying to get me to become that way. . . . They have went to great lengths. I mean, if you are not nuts when you get here, I'll guarantee you'll be when you leave.

DeCamp: Well, anyway, I'm meeting with your brothers tomorrow morning 9:00 a.m. . . . I'm going to tell them exactly what has occurred here. I'm going to also provide them with the following information because they have asked me to represent you and the whole family in this matter of trying to protect you. They made it clear they want you protected. They made it clear to me that they had no confidence in what is going on. . . . I did tell her also, this psychiatrist, just so you know . . . I told her the safest place for you was her guarding you almost in her own ward. . . . I told her, "Look, if you have any doubts that I'm delusional, I'll pick two or three of the best people in the state [Nebraska] you can name. You name, and I'll have them call you and just give you the background."

I said, my goal is to get a couple of U.S. Marshals protecting Rusty Nelson, and get the U.S. Attorney or a judge to authorize them coming out and accompanying or escorting and protecting him to the key places where he has materials hidden, so it can be seized and taken without being damaged and without somebody destroying it, and without Rusty being killed in the process, and so that we know that it is valid, and so they can testify in court later on for the whole purposes of witness protection, immunity, and identifying the significance of the material and where it leads and what it means. That is what that's about. She said they'd be happy to arrange it. . . .

Nelson: She's working with me, but the other doctors that are here, I don't trust for nothing, and most of the staff I do not trust. . . .



This letter, from the Department of Justice's Acting Chief of the Child Exploitation and Obscenity Section, to former CIA chief William Colby, was in response to a letter from Colby to Attorney General Janet Reno, asking her to review the entire Franklin case. Colby's handwritten note to DeCamp is in the upper right.

DeCamp: I think you ought to cooperate totally with Dr. Brylzscki. . . . I think she is a straight shooter, and I think to the degree that you can totally cooperate with her and educate her. . . .

I have assembled a packet of information to deal with one of the U.S. Attorneys to try to convince them to take immediate action. I have just used your affidavit, some of the materials you had, some of the pictures to make it clear you definitely did know Larry King, which of course the Chief of Police [Wadman] lied about and denied. That you provided information to Caradori, as I understand it from reading your affidavit. Is that correct or not?

Nelson: Yes.

DeCamp: So you definitely — where did you meet him or talk to him, or provide him what?

Nelson: I don't remember where I met him, but what he was provided with were pictures of one of the parties that I had. Larry got the pictures usually.

DeCamp: You mean the pictures you took, Larry King usually got?

Nelson: Oh, yeah. Larry insisted. . . . He would grab the film from me. . . . And, you know, there was some that I had basically ran off on part of an end of a roll that I had on something else, and I stuck it away and . . . he didn't get those. . . .

DeCamp: And what did those have on them, if you recall?

Nelson: Basically, one of the parties; it had some of the people, some of the children and things like that. [name deleted] was in some film.

DeCamp: [Name deleted], you mean the police chief [name deleted]?

Nelson: Yeah.

DeCamp: Anyway, I have additionally, for your protection, I have made clear, in a kind of a public sense, talking on some talk shows. . . . I point out that you have been arrested, I read the statement from the police chief, just like in the affidavit, you know. I point out that clearly the police chief is lying, and clearly you are the "smoking gun" with a lot of information, and you need protection, and if anything happens to you, it's going to create more stink, so they ought to be wise enough to leave you alone, because just eliminating you ain't going to do any good. Is that satisfactory?

Nelson: It should help.

DeCamp: That's what I theorized. I remember all those who decided to keep secret ended up dead.

Nelson: Well, that's what they came to me with, and it wasn't just one.

DeCamp: Understand—

Nelson: One of the FBI guys themselves.

DeCamp: One of the FBI guys essentially told you what?

Nelson: Basically, it was too hot, and drop it. . . .

DeCamp: Do you remember what his name was?

Nelson: [Name deleted]. . . .

DeCamp: How did he [Larry King] get so tight with Wadman? You have indicated he was really tight there.

Nelson: Everytime they said something like "send flowers," that meant money.

DeCamp: Money to who?

Nelson: Wadman. Sending flowers to Wadman.

DeCamp: Who was the money from?

Nelson: Larry, I think possibly [name deleted]. There was a bunch of it coming from back east.

DeCamp: What was he doing with all his money?

Nelson: I guess laundering. There was something to do—remember that daycare center? He had some non-profit corporation. That is how he was finding little kids. There was something to do with that. I never could quite figure out what the deal was on it, but there was a day that they closed the doors on him. They were flying back east and he had all hell to pay just to get that opened back up. There was something about a call to Reagan on this, because I sat there and listened to it.

DeCamp: He was on an airplane when he did this.

Nelson: I believe so, that was on the airplane. I believe it was Reagan. It sure as hell sounded like it. . . .

Starr protects Bush in Whitewater farce

by Jeffrey Steinberg

In recent months, a sub-theme of the continuing Whitewater assault against President William Clinton has grabbed increasing attention in some of the most hard-core Conservative Revolution press, typified by the *American Spectator*, an unabashed outlet for the London Club of the Isles' Hollinger Corporation media cartel. Increasingly, Whitewater special prosecutor Kenneth Starr is being targetted for harsh criticism, for failing to go for the President's jugular. Even his own longtime backer, Mont Pelerin Society moneybags Richard Mellon Scaife, through his private poison pen, Christopher Ruddy, has attacked the special prosecutor, for failing to hold President Clinton accountable for the death of his former aide, Vincent Foster. Among the most rabid Clinton-haters, who peddle their smears through a variety of well-funded newsletters, such as the *Wall Street Underground*, Starr has become the Devil incarnate, a full-fledged member of the "Clinton conspiracy."

From the outset, Whitewater has been more of a cruel hoax, than a genuine scandal. The issue, for the obsessive Clinton-bashers, was never in seeking the truth. Nevertheless, they do have one legitimate bone to pick with Starr. It is becoming more and more clear, as new evidence surfaces, that Starr's agenda—beyond the targetting of President Clinton—has been to protect Starr's highly vulnerable former boss, George Bush.

Anyone who has attempted to get at the truth behind some of the more sensational Whitewater allegations, especially the swirl of rumors about big-time drug-trafficking in Mena, Arkansas, has uncovered evidence far more damning against Bush than against the former Arkansas governor. And recent attempts to link President Clinton to the mass-murder rampage and raw materials grab now under way in the former Zaire, in fact, reveal a deep personal involvement by former President Bush.

Mena revisited

The root of most of the nasty slanders against President Clinton, including some of the core allegations being probed by special prosecutor Starr, all trace back to allegations of corruption, drug trafficking, and illegal weapons smuggling in Arkansas during the 1980s. Former U.S. Rep. Bill Alexander (D-Ark.) spent years pursuing all of the rumors, eyewitness-