



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 4054

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**Committee
To Reverse the
Accelerating
Global Economic
And Strategic Crisis**

A LaRouche Exploratory Committee

RECEIVED
FEDERAL ELECTION
COMMISSION

SEP 7 12 18 AM '94

MUR 4054

September 2, 1994

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 6 2 30 PM '94

Re: Complaint under 2 USC § 433 *et seq* versus
the Anti-Defamation League of B'nai B'rith and
its Washington, D.C. Fact Finding Director Mira Boland

Dear Commission:

This is a complaint against the Anti-Defamation League (ADL) of B'nai B'rith, headquartered at 823 United Nations Plaza, New York, NY 10017, and the ADL's Washington, D.C. fact-finding director, Mira Boland, whose office is at 1100 Connecticut Avenue, N.W., Suite 1020, Washington, D.C., for failure to register and report to the Federal Election Commission as a political committee as provided for in 2 USC § 433 *et seq*.

Lyndon H. LaRouche, Jr. has declared his availability as a candidate for the Democratic Party nomination for president in the upcoming 1996 elections. Mr. LaRouche's campaign committee is duly registered with this Commission. Mr. LaRouche not only is a declared candidate, but has already begun to issue campaign statements.

In response to the LaRouche committee's registering with the FEC in August of 1993, the ADL initiated a new round of illegal activities directed at opposing Mr. LaRouche's candidacy. The ADL's actions are illegal as they are not a duly registered political committee with the FEC, yet they are expending monies and manpower directed at defeating a candidate for federal office. In particular, the ADL's initiatives include:

- In the Spring of this year, the ADL issued and began disseminating a "Special Report" "prepared by Mira Boland" entitled, *Partners in Bigotry: The LaRouche Cult and the Nation of Islam*. The report is a vile attack on Mr. LaRouche, the Nation of Islam

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and its leader Minister Louis Farrakhan (see Exhibit A attached hereto);

• In July-August 1994, the ADL issued a second report attacking candidate LaRouche which was also "prepared by Mira Boland." This 34-page "publication of the Anti-Defamation League" is entitled, *Paroled: The LaRouche Political Cult Regroups* (see Exhibit B attached hereto). The ADL's National Director, Abraham H. Foxman, declared that the ADL "cannot afford to ignore" LaRouche and he quotes from the just-released report slandering candidate LaRouche with "attempting to drive a wedge between blacks and Jews..." according to the Philadelphia *Jewish Exponent* newspaper (see Exhibit C attached hereto). The ADL is actively distributing this report. It has been reported to me that following the appearance on August 11, 1994 of a full-page advertisement in the *Washington Post* entitled, "An Open Letter to the President of the United States -- Exonerate Lyndon H. LaRouche Now!", various regional offices of the ADL used the list of signers to that ad as a mailing list for distribution of the *Paroled* report. One person so contacted by the ADL provided a copy of the letter sent to him. (See Exhibit D attached hereto.) The wide dissemination of this derogatory report is clearly intended to negatively impact Mr. LaRouche's candidacy.

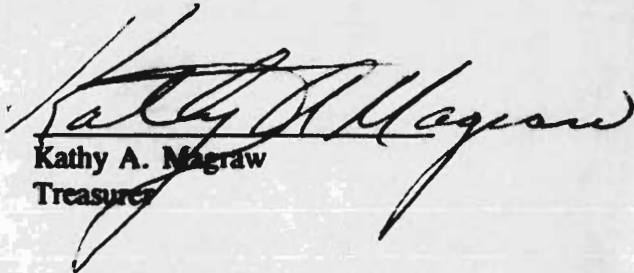
Quite clearly, these actions constitute participation on the part of the ADL and (at least) its employee Boland in actions opposing a federal candidate seeking election. The expenditure of monies to publish (including the salary of Ms. Boland "who prepared" the reports) as well as the national distribution of an unknown number of these publications defaming candidate LaRouche is a violation of the FECA, as neither are registered political committees or agents thereof.

The ADL's illegal actions as an unregistered political committee is not new to this Commission. This Commission previously found in MUR 2163 that when the ADL, among others, conducted the same kind of vilification campaign against Mr. LaRouche's 1988 presidential bid, "there was probable cause to believe these respondents violated 2 USC § 441b." (FEC's January 18, 1991 letter notifying Mr. LaRouche's 1988 campaign committee that no action would be taken against the ADL in MUR 2163.) The FEC's decision to "let 'em off the hook" without even a slap on the wrist, clearly provided the "green-light" for the ADL to continue its unlawful activity with impunity. As the Commission is aware, its decision not to prosecute the ADL, despite its finding of probable cause, flowed from the perception of the FEC that the ADL had a "relatively sympathetic posture" in terms of its public image. (FEC's General Counsel report dated January 1990 in MUR 2163.) But even that perceived image and excuse for not holding them to the law, no longer exists.

Subsequent to the FEC's "benign-neglect" determination, the ADL and its fact-finding division have been the subjects of an FBI investigation and a San Francisco Police Department investigation into the ADL's illegal use of confidential law enforcement files and the invasion of privacy of over 1,000 California citizens and political groups. The ADL, using a 25-year paid informant Roy Bullock, compiled secret files on groups and/or individuals it deemed an enemy. One of those illegally gathered files kept by Bullock was called by him "LaRouche for

President." (See Exhibit E attached hereto.) The use of such police-state tactics to interfere with the political beliefs of others is repugnant to the First Amendment of the United States Constitution.

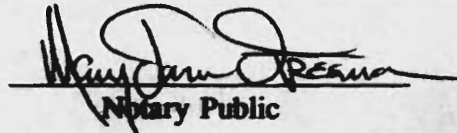
I hereby request that, as provided for in 2 USC § 437g *et seq*, the Commission investigate this illegal expenditure of monies and activities on the part of the ADL and Boland which are in violation of the FECA.


Kathy A. Magraw
Treasurer

Commonwealth of Virginia)
County of Loudoun)

ss:

SIGNED AND SWORN TO BEFORE ME THIS 2ND DAY OF September, 1994.


Notary Public

My Commission Expires: May 31, 1997



SPECIAL REPORT

Partners in Bigotry: The LaRouche Cult and the Nation of Islam

FEC Complaint Exhibit A

ANTI-DEFAMATION LEAGUE
1994

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Anti-Defamation League

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Abraham H. Foxman, *National Director*

David H. Strassler, *Chairman, National Executive Committee*

Peter T. Willner, *Associate National Director*

Meyer Eisenberg, *Chairman, Civil Rights Committee*

Jeffrey P. Sinensky, *Director, Civil Rights Division*

Gary Zaslav, *Chairman, Fact Finding and Research Committee*

This publication was prepared by Mira Boland, Washington, D.C. Fact Finding Director.

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The LaRouche Cult and the Nation of Islam

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The professional bigots of the Nation of Islam (NOI) and the Lyndon LaRouche organization have recently revived an ad hoc alliance to advance their attack on Jews and Jewish organizations. They have held joint programs and street demonstrations to vilify the Anti-Defamation League for allegedly fostering the AIDS epidemic, promoting drugs and violence, and "attacking" black leaders. Much of their rhetoric has been confrontational and violence prone. The two fired a new incendiary salvo recently, suggesting that ADL is somehow involved in a plot to kill Minister Louis Farrakhan.

Apart from the bleak diversion offered by this spectacle, it is useful, on a more serious level, to see what these hate peddlers have in common. It's hard to imagine two more disparate fringe groups. The Nation of Islam, a black separatist, anti-white group, boasts ties to Libya and an assortment of neo-Marxist radical groups and violent street gangs.¹ The LaRouche political cult, whose bizarre conspiracy theories are impossible to place on the ideological map, draws mainly white, middle-class adherents.

Conspiracies in Common

So what do they agree on? Not much — except that tired song of the

¹Radical groups include several with ties to Libya, notably domestic revolutionary terrorist group (see below). The NOI has also enjoyed a close relationship with the El Rukn gang in Chicago, which terrorized the South Side of the city for nearly a generation with murder, drug trafficking and protection rackets. More recently, NOI figures have reportedly tried to broker a truce between the rival Crips and Bloods in Los Angeles.

demagogue, that some of the world's ugliest problems are spawned and furthered by conspiracies involving Jews.

The LaRouche cult -- whose leader, 71-year-old, Lyndon H. LaRouche, Jr., was just paroled from federal prison after serving time for his role in defrauding a series of elderly persons of more than \$30 million, in many cases of their life savings -- -- blames prominent Jews and Jewish families, organizations and businesses for organized crime and international drug trafficking. The announcement a year and a half ago for a joint Nation of Islam/LaRouche program at Howard University trumpeted, "The ADL is historically indistinguishable from organized crime and the bankers and financiers who operate the \$500 billion drug trade known as DOPE INC." NOI officials have parroted this conspiratorial LaRouche claptrap in recent statements. Conrad Muhammad, who runs the NOI's mosque No.7 in New York told The New Yorker in February 1994, "...Why not condemn the criminal activities and the charges that have been laid at [the ADL's] door that they were a front organization for Meyer Lansky and other gangsters?"

Farrakhan's tabloid, The Final Call, has editorialized more broadly on the theme of "vile plots being hatched against Black people by clandestine organizations dominated by Jewish interests, including the...apartheid system, which was helped to be formed by Jewish doctors."

Prominent Farrakhan follower Steve Cokely, has charged an international "secret society" exists to oppress blacks and create a single world government run by Jews. In the same speech, Cokely laid the AIDS epidemic to doctors, especially Jewish ones, injecting black babies with the AIDS virus. Said Farrakhan, "Cokely spoke the truth."

The "international Jewish conspiracy" theme surfaces in both camps. LaRouche

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has endorsed the notorious Czarist forgery, The Protocols of the Elders of Zion, stating that a "corrected version...would stipulate that the evil paths cited were actually the practices of...B'nai B'rith...." In turn, the Protocols and Henry Ford, Sr.'s The International Jew have been sold in bookstores owned by Nation of Islam supporters.²

Both groups have echoed the classic anti-Semitic blood libel that the Jews killed Christ. In the world according to LaRouche, "It was the Jewish Sadducees who crucified Christ and the same faction in Rome who prompted the Emperor Nero to launch the centuries-long 'holocaust' against the Christians." Last year Farrakhan's national spokesman, Khalid Abdul Muhammad, stated, "it is a known fact that the Jews have been an enemy of Jesus" and they "sought to kill the Messiah." And in his 1994 Savior's Day speech, Farrakhan told followers, "they didn't want to hear what he said. And they trumped up lies on Him and they killed Him. Right to this day Jews don't believe in Jesus...."

Both organizations have cozied up to white supremacist groups. The LaRouche network has employed Ku Klux Klan members as security consultants, notably Roy Frankhauser, a two-time felon lately of the United Klans of America. Among Frankhauser's convictions was one involving explosives in connection with a school bus bombing in Pontiac, Mich. Representatives of Farrakhan invited former Klansman Tom Metzger and several members of his White American Political Association (now called White Aryan Resistance - WAR) to a 1985 Los Angeles

²These and other anti-Semitic works - including Tony Martin's The Jewish Onslaught and Martin Luther's The Jews and Their Lies - have been sold at Farrakhan's appearances as recently as March 1994 when Farrakhan gave a speech in Palm Beach, Fla.

Coliseum appearance by Farrakhan. Later Metzger's group donated \$100 to Farrakhan. According to Metzger, he and Farrakhan's people exchanged "intelligence."³

Both the LaRouche organization and the Nation of Islam promote ignorant and distorted claims concerning the Holocaust. The LaRouche tabloid has referred to "the mythical 'six million Jewish victims' of the Nazi 'holocaust,'" asserting that a million and a half Jews perished, and that Hitler was put in power by prominent Jewish banking families. The cult continues to vilify the Office of Special Investigations of the U.S. Department of Justice and defend accused Nazi war criminals and German rocket scientists who used slave laborers while working under the Nazi regime. For its part, in February 1985, the NOI welcomed Arthur Butz, author of the Holocaust-denial tract, The Hoax of the 20th Century, as a guest speaker at its annual Savior's Day Convention in Chicago. Butz's pseudo-history has been sold at recent NOI events. Despite the historical tack, Farrakhan has admonished Jews: "You cannot say 'never again' to God, because when He puts you in the oven, 'never again' don't mean a thing."

Khalid Muhammad has joined his anti-Semitism with Holocaust denial. In April 1994 Muhammad staged a visit to the U.S. Holocaust Memorial Museum and held a press conference afterwards at which he belittled the magnitude of the Nazi's near extermination of European Jewry. The museum visit appeared to be a publicity stunt for Muhammad's speech the following night at Howard University, where he repeated many of the same remarks. At Howard he said "the black holocaust was 100 times

³Metzger and his son were held civilly liable in a suit brought by the Southern Poverty Law Center and the ADL for the 1988 murder of a young Ethiopian immigrant in Portland, who was beaten to death by neo-Nazi Skinheads incited by a WAR recruiter.

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worse than the so-called Jew Holocaust. You say you lost 6 million we question that, but we lost 600 million. Schindler's List is really a swindler's list."

Farrakhan himself made similar remarks in his 1994 Savior's Day speech in Chicago.

Hostile to Israel. Friendly to Terrorists

The anti-Jewish leitmotif surfaces in foreign affairs as well. For LaRouche this frequently takes a nominally anti-Zionist form which, in some of its language, echoes classic anti-Semitic imagery. He has stated, "...We know that Zionism today is a parody more hideous than what it imitates from the most evil period of Ptolemaic Egypt and the Roman Empire," and has referred to "the Zionist octopus," which "must be destroyed." The cult leader has also argued that, "if international Jewry were...freed of the grip of the Zionist psychosis...the problems of the Middle East could be resolved." Farrakhan states simply, "The presence of a state called Israel is an outlaw act."

Also on the international scene, both groups have sought ties with terrorist states. In the 1980s, the Nation of Islam received a \$5 million interest-free loan from Libya. Farrakhan and his lieutenants have visited Muammar Kaddafi in Libya on several occasions, and participated in demonstrations protesting the 1986 U.S. raid on Tripoli.⁴ Last year LaRouche's wife Helga Zepp LaRouche, participated in a conference in The Sudan, a repressive launch pad for Islamist terrorism, and met with

⁴The NOI's cohorts at these pro-Libyan demonstrations included a domestic terrorist group the Republic of New Afrika, a revolutionary black separatist organization whose members have robbed armored cars and murdered police officers. Other demonstrators, also veterans of travel to Tripoli, included the American Indian Movement, a leader of which is in prison for the murders of two FBI agents, the radical-left, anti-Semitic All-African People's Revolutionary Party, and the New Alliance Party, a left-wing psychotherapy cult which is also anti-Semitic.

Sudanese leaders. The LaRouche organization also had a relationship with Iraq in the late 1970s that apparently was revived at the time of Gulf War. A member of the cult's European Executive Committee made several trips to Baghdad, ostensibly on a humanitarian mission, and LaRouche-controlled newspapers lambasted the anti-Saddam campaign in 1990-91.

Formerly at Odds

The curious aspect of this meeting of hate-mongering minds is that as recently as the mid-1980s, the LaRouche organization was denouncing Farrakhan for what they alleged was his involvement in terrorism. After Farrakhan and his lieutenants attended a 1986 conclave of radicals and terrorists in Tripoli, a LaRouche publication, Investigative Leads, called for Farrakhan's arrest and prosecution, and urged his surrender for questioning on sedition charges. "Farrakhan, AIM [The American Indian Movement] Get Marching Orders at Libyan Terror Summit," the title shrieked. Other issues characterized Farrakhan as the "mediating link" between international Muslim Brotherhood terrorist operations and "black militant groupings" and "leaders of the black race riot infrastructure" in the U.S., and asserted that Farrakhan and a man associated with the suspected murderer of an anti-Khomeini Iranian dissident in northern Virginia had "reportedly set up several training centers for firearms training" for selected members of an Iranian-linked Islamic group.⁵

Perhaps the most perverse aspect of the twosome's cozy relationship is that the Nation of Islam, a black racist group is in bed with an organization which has worked for the premier intelligence of the apartheid Republic of South Africa. In the

⁵In recent months the cult's publications have praised and defended Farrakhan and his followers, and highlighted the relationship between the groups.

late 1970s the LaRouchies were paid to prepare intelligence reports on anti-apartheid groups in the U.S. for the South African Bureau of State Security (BOSS). After the contract, the staff did additional work for at least one private South African business in the early 1980s, ex-members say. Contacts with the South African embassies and consulate continued at least into the late 1980s, say sources.

Recent events have the Farrakhan and LaRouche believers back on the same wavelength. The cult's relationship with the Nation of Islam dates back to the late 1980s when the two held joint forums on AIDS, that were covered in the LaRouche magazine Executive Intelligence Review. LaRouche disciples were promoting "experts" who claimed that AIDS was part of a government conspiracy against blacks and was created in a U.S. biological warfare facility. Dr. Abdul Alim Muhammad, director of the NOI's Washington, D.C. AIDS clinic also participated in a meeting in Paris, France called by a LaRouche front group -- the Schiller Institute's International Commission of inquiry into Violations of Human Rights -- which was agitating for the release from federal prison of Lyndon LaRouche. According to the NOI's The Final Call, Dr. Muhammad, whose announced topic was AIDS, appeared to blame the epidemic on "America's global genocidal policy" (a LaRouche theme). He told the gathering, "America is the number one enemy of the Black man." He charged, "The rulers of America have decided on a policy of genocide to prevent a Black and Brown majority by the middle of the 21st century." Since then, the Nation of Islam has picked up and embellished that notion, assiduously propagandizing the black community.

More recently, the two organizations have trained their combined sights on the ADL, which has exposed the anti-Semitism and extremism of both groups, hampering their efforts to broaden their support. During the fall of 1992 LaRouche representatives twice joined with a senior Farrakhan lieutenant to denounce ADL as

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"the new Ku Klux Klan," an Orwellian inversion that is the brainchild of the cult. The two groups held programs at Howard University and the University of the District of Columbia titled, "Is the Anti-Defamation League (ADL) the New Ku Klux Klan?" Dr. Abdul Alim Muhammad, attacked ADL for its 1992 publication, The Anti-Semitism of Black Demagogues and Extremists, terming the report an attempt to "decapitate, if you will, to lynch, if you will, the black community." There, Muhammad delivered a dissertation on lynching. In a pointed metaphor, he said the charge of "anti-Semitism is a noose that is being tightened around the black community by the new Ku Klux Klan. As [the representative of the LaRouche organization] reminds us, it's not the new Ku Klux Klan, its the old Ku Klux Klan, it is that which produced the original Ku Klux Klan, that which is more evil than the Ku Klux Klan...." Not to leave the audience in any doubt as to the lyncher's identity, Muhammad ominously asserted, to applause, "If your blood pressure rises, if you start seeing red at the very thought of the Ku Klux Klan marching in Washington, D.C., then what you should be doing is learning about the ADL."

Muhammad also echoed the international Jewish conspiracy theme, telling his rapt listeners, "What we are dealing with [is] an evil that is a many-headed evil, and it comes up in many parts of the world...Underneath there is a subterranean network that connects them all."

Farrakhan recently played a variation on this theme. According to the organ of the fringe New Alliance Party, Farrakhan, appearing on a TV show with NAP leaders, said of ADL's exposure of his and other demagogues anti-Semitism and racism:

This is a losing, last gasp of an organization that has had its day, run its course. It is going to be exposed and when you expose the root of the ADL to the light, like all things

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that are exposed at the root, it will die. What I know is the root of the ADL and one of these days I'm going to tell the American people how she was formed, what was the purpose in her formation, who formed her...and all of the related parts of...a conspiracy of the greatest magnitude to rob the American people of a nation and cover it up by accusing those who knew the truth of being wicked demons...

Joining to Scapegoat ADL

These joint efforts continue. On April 13, 1994, Abdul Alim Muhammad and Larry Freeman of the Baltimore LaRouche office spoke at a forum at historically black Morgan State University in Baltimore. The event, sponsored by the LaRouchite Schiller Institute, was billed as, "The Ugly Truth About the ADL"⁶ -- the latter being the title of a LaRouche propaganda screed circulated in several Jewish neighborhoods around the country during the last year and a half. As a further indication of the ongoing cooperation between the LaRouche and Farrakhan organizations, the March 30, 1994 issue of the NOI tabloid The Final Call carried an advertisement promoting "The Ugly Truth About the ADL." The night following the Morgan State meeting, another joint NOI-LaRouche program was held at Howard University in Washington, D.C.

At Morgan State, Muhammad told an attentive audience, "We are...at war," The Baltimore Jewish Times reported. "Who's fighting us? The ADL. Either we overcome

⁶The Ugly Truth has been sold at NOI events. LaRouche followers have also distributed the booklet and other materials at recent appearances by Khalid Abdul Muhammad and other figures, haranguing people as they waited in line to enter the hall.

them or they overcome us. Until they kill all of us or we them. Kill all of them, if it comes to that. We must fight them until we crush them."

The next night at Howard University, LaRouche representatives stated, "ADL is behind drugs, destruction of children, and AIDS," and promoted the cult's latest fantasies. According to an account in The Washington Jewish Week, the LaRouche followers baldly announced that the ADL had staged the recent massacre at the Tomb of the Patriarchs in Hebron via the Jewish Defense League, which the ADL supposedly operates as agents of assassination. A LaRouche speaker also provocatively asserted that the massacre is linked to "an ongoing attempt to assassinate" Louis Farrakhan. Muhammad said that he was "very proud to share the rostrum" with LaRouche representatives, who he praised as "kindred in spirit to those you find in the Nation of Islam."

Finally, on April 30, a "Stop the Attack" group composed of roughly 35 Nation of Islam members, LaRouche followers and Howard University students, and an apparent homeless man held a demonstration that floated from Capitol Hill to FBI headquarters, The Washington Post, and B'nai B'rith headquarters, winding up at the ADL's Washington, D.C. offices. Demonstrators asserted that the ADL is "a spy-and-assassination network" responsible for keeping blacks from advancement, according to The Washington Times. Demonstrators chanted, "Hands off Farrakhan/Stop the attack/We know the ADL is anti-black." The demonstrators' tone was occasionally threatening. They said, "We know you are trying to assassinate Farrakhan," and promised that if Farrakhan is "attacked," "We will break every bone in your body. An eye for an eye, a death for a death." The Washington Times quoted a protestor who promised, "You want to see assassinations, try touching...Farrakhan. Once you aggress upon us, you're going down." Some statements were also nakedly anti-

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Semitic. The demonstrator quoted by the Times yelled, "This is not an attack on Jews -- it's an attack on the Anti-Defamation League...and the synagogues of Satan. ...You have too much control of the country."

Conclusion

Both the NOI and the LaRouche cult are likely to continue their joint attacks on Jews and Jewish organizations. Each is using the other to further its own ends, both are seeking to expand their base of support and seeking allies and ammunition against the ADL, which has consistently monitored and exposed their extremism and anti-Semitism.

Neither the Nation of Islam nor the LaRouche cult are choosy about the company they keep. Both have rubbed shoulders with terrorist states abroad and bigots and extremists at home. Unembarrassed by this record, the two have been quick to accuse the "Anti-Defamation League of being the new Ku Klux Klan." Yet it is their hatemongering, scapegoating and conspiratorial propaganda -- as well as their associations with Klansmen and other that ilk -- which brings to mind the KKK.

Deciphering the Nation of Islam and the LaRouche cult slogan, "Is the Anti-Defamation League (ADL) The New Ku Klux Klan?" requires a trip to their upside-down "Through the Looking Glass" world. Few will mistake it for reality.

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Anti-Defamation League of B'nai B'rith

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NEW ORLEANS (South Central)	
925 Common Street (Suite 975), New Orleans, LA 70112	(504) 522-9534
NEW YORK CITY (New York City, Westchester, Rockland, Putnam and Long Island)	
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NEW YORK STATE	
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ORANGE COUNTY	
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Anti-Defamation League, 823 United Nations Plaza, New York, NY 10017

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The LaRouche Political Cult Regroups



EEC Complaint Exhibit B

Anti-Defamation League

Melvin Salberg, National Chairman

Abraham H. Foxman, National Director

David H. Strassler, Chairman, National Executive Committee

Peter T. Willner, Associate National Director

Meyer Eisenberg, Chairman, Civil Rights Committee

Jeffrey P. Sinensky, Director, Civil Rights Division

Gary Zaslav, Chairman, Fact Finding and Research Committee

Irwin Suall, Director, Fact Finding Department

This publication was prepared by Mira Boland, Washington, DC Fact Finding Director.

Cover Photos

Aerial view of Ibykus Farm, the estate where LaRouche lived for several years prior to going to prison in 1989. Evidence introduced at federal trials showed that LaRouche fronts paid the bulk of the purchase price and the cost of improvements, which included a swimming pool, horse barn, riding ring, man-made ponds, fish stock for the ponds, an expensive piano for the music room, and extensive security systems. (Guard shack can be seen at the edges of the photo.) LaRouche was living in high style while lenders were being told that there was no money to repay their loans.

Lyndon H. LaRouche, with a semi-automatic Colt .45 on his waist, examining a telescope presented to him by members in the mid-1980's for his birthday. Perhaps reflecting LaRouche's paranoia about assassination, the cult leader carried his weapon cocked and locked. Ex-members testified at LaRouche's second federal trial that the cult's fronts paid for firearms, luggage, gifts, and other items for LaRouche.

Jeffrey Steinberg, one of LaRouche's two "security and intelligence" chiefs (r), with his arm around Ku Klux Klan member and two-time felon Roy E. Frankhauser, at LaRouche's estate in Loudoun County, Virginia. Frankhauser was a highly trusted, paid "security consultant" for years.

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Paroled: The LaRouche Political Cult Regroups

Summary and Introduction

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The January 26, 1994 parole of convicted felon Lyndon H. LaRouche may breathe new life into his cult, which has been battered by the imprisonment of LaRouche and convictions of a score of his associates for defrauding elderly persons of their life savings. More than a dozen of the cult's brightest, most talented senior members have abandoned the organization, and the group's income — after a fraudulent loan scheme landed fundraisers behind bars — has fallen. Despite such setbacks, this political cult has continued to broadcast its addled, anti-Semitic conspiracy theories, and to raise funds by questionable means, attempting to intimidate critics (especially the Anti-Defamation League whose staff members have been harassed in their homes), and pursuing alliances with other extremists, notably leaders of Louis Farrakhan's Nation of Islam. Meanwhile, LaRouche and his wife, Helga Zepp LaRouche, are busy seeking influence in the emerging republics of the former Soviet empire — where the cult recently opened an office in Moscow — and cultivating support in some Arab and Islamic states — including The Sudan,¹ a tightly controlled state which is a launching pad for Islamist terrorism.

This frenetic activity is testimony to the cult's resilience. Although LaRouche continued to direct his followers from federal prison, his parole — after five years of a fifteen-year sentence — and his return to the group's Leesburg, Va. headquarters are likely to strengthen his control.

LaRouche comes home to a leaner, no less mean fundraising machine. He and his followers have learned from the miscalculations that sent them to prison. They remain a threat to at least one segment of society: LaRouche fundraisers continue to target older Americans, including the Alzheimer's-afflicted, with unrelenting high-pressure tactics. Even as some fundraisers were on trial for soliciting loans the organization never intended to repay, others had developed new tactics and begun drumming for "contributions" instead. The more recent methods have thrown the cult into civil litigation and, in one case, prompted a criminal prosecution, aborted when the 86-year-old victim suffered a stroke on the witness stand. Under any guise, the organization's continued pursuit of victims who can be squeezed dry over a period of months spurred an Assistant United States Attorney to oppose LaRouche's release in a letter to the U.S. Parole Commission, citing the ongoing injury inflicted by the group.

¹ See "The International Scene," below.

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Apart from the damage to the bank accounts of the elderly, the cult poses little meaningful threat. The organization has never achieved the influence it so desperately seeks. While disciples frantically promote LaRouche as the savior of western civilization — the only one who can rescue a fatally mismanaged world from imminent destruction by AIDS, drugs, famine, debt and nuclear war — the discredited cult leader and his movement seem destined to remain on the fringes of society.

This, however, does not mean that the cult is toothless. In the netherworld of bigotry and extremism, the LaRouche operation enjoys a certain standing. It continues to be a purveyor of anti-Semitic claptrap — in which prominent Jews, Jewish families, and Jewish organizations, especially ADL, tirelessly conspire to control international drug trafficking and organized crime, wreak economic havoc, and persecute the innocent (most prominent among them Lyndon H. LaRouche). The group maintains relationships with bigots and extremists from Liberty Lobby to the Nation of Islam, and among them serves as a conveyor belt of conspiracy theory and anti-Semitism. More disturbing, it has been trying to drive a wedge between Blacks and Jews, claiming B'nai B'rith, the Jewish fraternal organization, founded the Ku Klux Klan, and labeling ADL "the new Ku Klux Klan." These exertions compel us to continue to monitor and expose the cult's agenda.

The Impact of LaRouche's Parole

While LaRouche never really left — he continued to lead his cult from behind bars — his return to the group's Loudoun County, Virginia headquarters is likely to strengthen his hand with his followers. It will also give believers a psychological shot in the arm.

At the same time, LaRouche's presence may require major adjustments within the cult, some of them difficult. Two potential trouble spots are the leader's security fetish and the organization's fundraising tactics. While LaRouche was in prison, the cult did not have to pay the enormous expense of indulging a paranoid's passion for security. (LaRouche has periodically depicted himself as the target of shadowy assassination teams run by the FBI, ADL, drug dealers, and assorted terrorists.) Bodyguards, armored cars, bulletproof raincoats, and a profusion of security equipment add up to a bill the cult may once again have to foot.

But the cult's most serious challenge may be ensuring that LaRouche doesn't violate the terms of his parole, which would return him to prison to serve the rest of his 15-year sentence. The organization may need to erect a Chinese Wall between the leader and his minions — which may be impossible to do — in case any ongoing investigation of fundraising tactics results in a prosecution, potentially implicating LaRouche. This might not be a difficult case to make: the cult is a highly disci-

plined, hierarchical entity; followers do not act without a superior's approval, and LaRouche is the mother of all superiors. The group's own documents indicate that LaRouche continued to approve many day-to-day operations from prison. LaRouche himself termed his role "hegemonic," even since his incarceration. By his control of the organization, LaRouche might be deemed a participant in any scheme run by his subordinates.

Indeed, it may be difficult for the cult to kick the organizational habits of a lifetime. LaRouche's attorney, Odin P. Anderson, recently told *The New York Times* that his client intends to re-establish himself as the leader of a political movement. With his legendary ego, the self-anointed "world's leading economist" and savior of western civilization is unlikely to welcome anything seeming to diminish his authority.

Other habits may also be hard to break. LaRouche has never acknowledged responsibility for the crimes of which he was found guilty, let alone shown remorse. Through his attorney, he has announced that he intends to prove he was wrongly convicted. This stance reflects the cult's cavalier treatment of its mainly elderly fundraising targets.

Its behavior is sufficiently egregious that Kent Robinson, one of the Assistant U.S. Attorneys who won LaRouche's conviction, opposed parole for LaRouche. In a letter to the U.S. Parole Commission, Robinson argued that LaRouche and the organization continue to raise funds aggressively and are injuring people through their fundraising methods. As noted above, these new tactics have already brought cult members face to face with juries in several civil suits and a failed criminal case. A successful prosecution for stepping over the criminal line could have serious consequences if it leads up the chain of command to the leader.

On the internal front, several of the group's most talented members have dropped out since LaRouche's prosecution. It is conceivable that the leader's return may prompt others, who became accustomed to a modicum of freedom in his absence, to depart. There are stirrings within the organization which indicate that some longtime members are considering leaving. Although a handful of new recruits have surfaced at the group's headquarters, the new blood cannot compensate for the loss of experienced hands.

The effect of LaRouche's parole is unpredictable — but resilience has always been the cult's hallmark.

A Cult By Any Other Name

The federal and state prosecutions of LaRouche, his followers, and some corporate fronts, along with defections among the brightest and most accomplished members, might have been enough to

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destroy another organization. But, though it resents the label, the LaRouche entity is a cult. In the midst of the successful 1988 federal prosecution of LaRouche and six associates, an IRS agent shook his head in wonderment and frustration, and sighed, "If this were the Mafia, they would've rolled over a long time ago. But these guys are True Believers."

The LaRouche organization was founded as a faction of the leftist Students for a Democratic Society (SDS) in the 1960's, while LaRouche was peripherally involved in the tumult at Columbia University. It was called the National Caucus of SDS Labor Committees. The name soon changed to the National Caucus of Labor Committees (NCLC) and the group began a twenty-five year opportunistic lurch from extreme to extreme.

LaRouche inhabits a world in which the Queen of England "pushes drugs," Henry Kissinger and the late Andrei Sakharov are KGB agents, the "genocidal" economic policies of the International Monetary Fund are speeding the spread of AIDS through Africa, and B'nai B'rith and the Rothschilds are links in a convoluted chain of organized crime. Closer to the mainstream of political debate, LaRouche has claimed credit for the Strategic Defense Initiative and opposed decoupling Europe from the U.S. defense umbrella. If these positions appear to be an odd mix, defying political labels, it is because the key to LaRouchian "ideology" is that ideology doesn't matter.

The NCLC is a chameleon. It adapts to feed off a changing menu of political targets of opportunity — AIDS, hunger, race relations, drugs, the Latin debt crisis, education, the Gulf War, nuclear energy — without changing internally. What seem to be ideological gymnastics are the product of LaRouche's pursuit of power and influence through exploitation of the political or economic crisis of the day.

Internally, the LaRouche entity retains the trappings of a Leninist-style cadre organization. It is tightly disciplined and hierarchical, with all spheres of organizational life — and often personal life — closely controlled. It is this near-totalitarian inner life that makes it a cult. Followers meet every day for a "morning briefing" in which they are assigned fundraising quotas, instructed on the latest urgent "campaign" against some perceived enemy ("Poison the Well for the ADL," was the catchy title of one such foray), and are given the cult's take on the world according to LaRouche. This is the "line" they will use in getting funds from the public, proselytizing prospective converts, and preparing propaganda for their tabloid *New Federalist* and other publications. Progress is reported to followers at nightly "evening briefings," which are used to motivate people to work late into the night to reach fundraising goals.

The leadership maintains an atmosphere of constant urgency, according to trial testimony and

interviews with former members and victims. There is critical campaign after critical campaign: some dire and horrible fate will befall the cult, an ally, the country, or the world if "x" amount of money isn't raised. A courageous anti-drug campaigner will be killed by Colombian hit squads if the LaRouchies can't get him safely to America. And so on. The sense of crisis and long hours mean most members don't have time for reflection and independent thought.

The cult's tendency to permeate all spheres of members' lives has a similar effect. For example, LaRouche considers himself the avatar of "humanist culture," and his obsession with the Germanic composers, poets, and playwrights is taken up by followers in lockstep. In addition to daily briefings and working together in teams, many members perform Beethoven in a members' ensemble, declaim Schiller and Goethe and perform Hamlet in an informal members' troupe, sing Schubert *lieder* in a members' choir, and perform arias from "The Marriage of Figaro" and the "Abduction from the Seraglio" at one another's weddings.

The remarkable extent of LaRouche's influence over followers is illustrated by incidents from the minutiae of cultural life to high-stakes courtroom tactics as defendants in criminal cases. A few years ago the political, economic, and artistic maestro, in his wisdom, decided that the frequency to which classical musicians the world over tune their instruments is too high for the human voice. He ordered the choir not to sing until it could tune itself to the lower pitch he deemed proper, C=256 instead of A=440. Former members say the choir didn't sing until it could purchase new tuning forks that vibrated to C=256. Since no musical supply houses carried such tuning forks, these had to be purchased from a medical supply house.

On a more serious note, LaRouche once ordered members of his security staff to call his former top lieutenant, who had quit the organization, and threaten him. According to a former security staffer, LaRouche, having apparently indulged his taste for wine one evening, decided the former member might be cooperating in a media exposé, came downstairs to the security area of the house, and instructed staff to threaten the individual, which they did in LaRouche's presence.

Finally, despite the prison terms faced by followers in federal and state cases, LaRouche's control was such that he was able to pressure almost all defendants to subordinate their own legal interests to those of LaRouche and the organization. In a Morning Briefing he insisted, "...[E]very trial is a LaRouche trial.... I'm the main subject. If I'm hung, then the relevant defendant in the trial is hung. It's that simple." The so-called "political defense" on which LaRouche insisted — arguing some variant of the theme that they were being persecuted because LaRouche was a threat to the supposed Anglo-American/Zionist establishment, whose policies, in LaRouche's view, would destroy civilization — netted followers severe sentences, some decades long.

Anti-Semitism

The LaRouche cult is sensitive to charges of anti-Semitism, and has unsuccessfully sued the Anti-Defamation League for libel because of our use of that characterization. Internally, the anti-Semitic label threatens the group's legitimacy and thus control of its members. Externally, it undermines its political acceptability to potential allies, except for other bigots, and seemingly prevents it from raising funds from most of the Jewish elderly, and others who are well informed on the cult's anti-Semitic baggage.

The group's response to such charges is to claim that it couldn't possibly be anti-Semitic because it has a significant number of Jewish members. It is true that a noticeable portion of LaRouche followers are Jewish by birth; some hold senior positions in the organization. It does not follow, however, that the group is not anti-Semitic.

There are different kinds of anti-Semitism. There is a type of "cultural" anti-Semitism in which Jews are looked upon as having negative characteristics. People who hold such a view generally do not wish to live or work among Jews or associate with Jews socially, as at country clubs. There is the religiously-based anti-Semitism of the "blood libel," the assertion the Jews killed Christ, which has been used to incite pogroms and other outrages for centuries. Then there is a type of "political" anti-Semitism, in which prominent Jews and Jewish organizations are blamed for assorted evils, which may include crime, drugs, AIDS, discrimination, economic instability, and communism or capitalism, depending on one's ideology, and are believed to be foreign agents, "dual loyalists," "internationalists" or "cosmopolitans," to control business, banking, and the media, and generally to manipulate world events through various nefarious cabals of coreligionists and their agents.

The LaRouche cult is anti-Semitic on all counts, but is sophisticated enough to limit its public expressions of anti-Semitism to the political variant. Internally the group is "culturally" anti-Semitic because of LaRouche himself and his effect on followers' daily lives. LaRouche's own anti-Semitism, which includes a dose of the blood libel as well as the two commoner types of anti-Semitism, lies behind the group's broader, "political" anti-Semitism which the outside world sees.

According to former followers, Jews and non-Jews, LaRouche is a clever anti-Semite who used a very personal, "cultural" anti-Semitism to intimidate and control Jewish members. This started during the early 1970's when LaRouche embarked on a campaign of psychological "ego stripping" sessions with followers, in an attempt to make his control absolute. Members who may have failed at some task were held up to ridicule before their peers, stripped of privacy, accused of sexual impotence, and otherwise humiliated.² LaRouche saved a special kind of abuse for Jewish members, telling

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them that their shortcomings were because of their Jewishness. "Jewish mothers" weren't the butt of wry or insensitive jokes, but targets of venomous opprobrium. In LaRouchian psychoanalysis, "The brutally sadistic moral castration of the Jewish boy by the domineering 'Jewish mother' is the basis for one of the most horrifying models of male sexual impotence . . . the 'business Jew.'"²

Members were told that their "liberal Jewish suburban upbringing" or their Jewish parents were the root of their problems. The word "Jewish" was always pointedly used.

Ex-members say LaRouche encouraged Jewish followers to renounce their Jewishness. He told all members they had to break with their families. He told Jews they had to break with their Jewish roots psychologically. Some Jewish members eventually converted to Catholicism.

While LaRouche's overt use of anti-Semitism may have begun as a control mechanism within the cult, former followers believe it became more overt and more demonic as LaRouche reached out to extremists on the right.

Thus, by 1978 LaRouche was more blatant, even using the blood libel: "It was the Jewish Sadducees who crucified Christ and the same faction in Rome who prompted the Emperor Nero to launch the centuries-long 'holocaust' against the Christians." (*New Solidarity*, December 8, 1978.) He "corrects" and adopts *The Protocols of the Elders of Zion*, a notorious, discredited anti-Semitic forgery concocted by the Czarist secret police: "The fallacy of the 'Protocols of Zion' is that it misattributes the alleged conspiracy to Jews generally, to *Judaism*. A corrected version of the 'Protocols' would stipulate that the evil paths cited were actually the practices of . . . B'nai B'rith . . ." (*Ibid.*) He attempts to minimize the Holocaust, referring to "the mythical 'six million Jewish victims,'" claiming, "True, about a million and a half Jews did die as a result of the Nazi policy of labor-intensive 'appropriate technology' for the employment of 'inferior races . . .'" He perverts history, asserting, "... Adolf Hitler was put into power largely on the initiative of the Rothschilds, Warburgs and Oppenheimers, among other Jewish and non-Jewish financial interests centered in the city of London." (*Ibid.*)

Like many an anti-Semite, LaRouche asserts Jews were responsible for the Bolshevik revolution, and pro-Israel Jews are "by definition, a national security risk." He discerns Jewish hands behind organized crime. According to LaRouche, the same "sort" of people who were in the Irgun "became the basis for modern organized crime (Samuel Bronfman, Meyer Lansky, Louis 'Lepke' Bucholzer, et al.). In Palestine, they were called the Irgun. In New Orleans and New York, they were called the Mafia ..."

² Elements of this control technique persisted at least until the mid-1980's as a means of motivating fundraisers to fulfill their quotas.

³ "The Case of Ludwig Feuerbach," 1973, in King, Dennis, *Lyndon LaRouche and the New American Fascism* (New York: Doubleday, 1989).

(*New Solidarity*, March 10, 1986). He sees the Jews controlling media outlets: "The Zionist Lobby is a major power within the three TV networks, and especially NBC . . ." (*New Solidarity*, Dec. 8, 1978)

LaRouche and his followers are also virulently anti-Israel. It is possible to criticize Israeli actions or characteristics of the country without demonizing it and attacking its very existence. LaRouche and company cross the line. He wrote in 1978, " . . . We know that Zionism today is a parody more hideous than what it imitates from the most evil period of Ptolemaic Egypt and the Roman Empire. *You cannot be a Zionist and also a Jew.*" (Ibid., emphasis in original.) What should be done about this monster? "The Zionist octopus must be destroyed." (*New Solidarity*, September 5, 1978)

Political anti-Semitism has remained a *leitmotif* of the cult. It has taken the form of attacks on prominent Jews and Jewish organizations, who are lumped together into nefarious conspiracies. While one may legitimately criticize organizations such as ADL, the lurid LaRouchite litany of the supposed evils of ADL smacks of anti-Semitism. In the world according to LaRouche, ADL is "anti-Jewish," "racist," a "hate group," "anti-God and pro-sodomy," encourages "witchcraft and devil worship" in the schools, engages in the "destruction of children," and is involved in terrorism. Moreover, ADL is "working to destroy the United States, through the subversion of law and moral values, through the peddling of illegal drugs, through the blackmailing and extortion of Congress, through the looting and trashing of our industrial and manufacturing base, and through its collusion with hostile foreign agencies."⁴

This vicious, lunatic assault on a pillar of American Jewry is more than a mere attack on a single organization. It appears to be an effort to slander the entire Jewish community.

The cult's anti-Semitism ultimately prompted some Jewish members to quit. They say they finally reached a point at which it was no longer possible to explain away the cult's anti-Semitism as politically correct anti-Zionism.

The International Scene

The cult's international organization and activities form a pillar of the LaRouchites' delusions of importance, reinforcing their view of themselves as participants in a major movement. Beyond that, these exertions have had a range of other uses: during the 1980's the group played a double game, parlaying its international contacts into *entrée* to some figures in the U.S. intelligence community at the same time as they used their meetings with U.S. officials, on the National Security Council, for

⁴ *The Ugly Truth About the ADL* (Washington, D.C.: Executive Intelligence Review, 1992), p. 129. See also "The Campaign Against the ADL," below.

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example, skillfully to name-drop their way into presidential and prime ministerial offices in Mexico, Turkey, India, Panama, and the Philippines. These international contacts were also considered an extremely important asset in the cult's intelligence-gathering activities, with which LaRouche — who may have imbibed one too many spy novels — became obsessed. (See also below.) In practical terms, relationships developed with foreign military, anti-terrorist, and anti-drug forces helped the LaRouchites portray themselves as a *bona fide* intelligence operation to officials back home. Some foreign dealings resulted in paying contracts to provide services to foreign governments and businesses.

For a while in the early 1980's, according to former members, followers engaged in a sort of influence peddling to develop these contacts. They portrayed themselves and their leader as a pro-U.S. "back channel," even setting up a few meetings in Washington for foreign officials. (The exception was Latin America, in which the organization has always struck a pose critical of the U.S.)

This positive portrayal as pro-U.S. influence brokers changed after Reagan Administration officials wise to the group's real agenda put an end to administration contacts with the cult. The group then shifted to seeking out anti-U.S. regimes and groups, such as Manuel Antonio Noriega's Panama, post-Gulf War Iraq, opposition groups in Russia, and most recently the Islamist regime of the Sudan.

During the earlier "back channel" phase, LaRouche aides managed to convince the staffs of various foreign heads of state that LaRouche was on official U.S. government business. LaRouche met with President Lopez Portillo of Mexico, then-Prime Minister Turgut Ozal of Turkey (who subsequently learned LaRouche's identity and dissociated himself from the meeting), former President Raul Alfonsin of Argentina, former President Alan Garcia of Peru, and the late Prime Minister Indira Gandhi of India.

Some foreign contacts were less straightforward. The most bizarre episode during the cult's "back channel" phase was the group's contacts with Soviet intelligence agencies. LaRouche, in a bulletin titled, "LaRouche Challenges 'Spike Hoax,'" acknowledged having maintained contacts with the KGB and other Soviet intelligence agencies. LaRouche wrote that his outfit served as a "spooks' letter-box drop, the proverbial hole in the third oak tree from the corner." He explained that for some years he and his associates had received information from the KGB, et al. In LaRouche's convoluted reasoning, since the U.S. National Security Agency was supposedly monitoring his communications, the information got to the appropriate U.S. agencies without any effort on the cult's part being necessary. Therefore, these contacts served U.S. interests.

LaRouche's behavior and the similarly bizarre antics of his lieutenants were interpreted as distinctly unfriendly in some U.S. national security quarters, and appear to have touched off inquiries on whether the cult posed a national security risk. Another episode which raised eyebrows among the

U.S. intelligence community was when security and intelligence luminary Paul Goldstein met with a Soviet "journalist" engaged in a disinformation campaign designed to blame the attempted assassination of the Pope on the CIA, rather than Bulgaria and its Soviet masters. The article, which was published in *Literaturnaya Gazeta*, quoted Goldstein as pointing to CIA links to the assassination attempt.

Other foreign contacts were more straightforward. LaRouche security and intelligence lieutenants met with the late President Ferdinand Marcos of the Philippines and convicted felon and former strongman Manuel Antonio Noriega of Panama. The cult strongly defended Noriega, attacked his critics, and even developed a business relationship with him. According to 1988 Congressional testimony by Noriega's former consul general in New York, José Blandon Castillo, the LaRouchites provided Noriega with intelligence-type information on U.S. Senate staff members working to expose Noriega's drug trafficking and ties to Fidel Castro. Former followers say they were told the group was paid for its work.

According to former staffers, the LaRouche security and intelligence people also struck a deal with the South African intelligence agency, the Bureau of State Security (BOSS), to provide intelligence on anti-apartheid groups in the U.S. in return for payment. After that contract, the staff did additional work for at least one private South African business in the early 1980's, ex-members say. Contacts with embassies and consulates of the then-apartheid Republic of South Africa continued at least until the late 1980's in the U.S. and Europe, say these sources.

The LaRouchites' pursuit of relationships with friendly regimes changed during the 1980's. After they were eventually spurned by Reagan Administration officials, the LaRouchites turned their attention to anti-American regimes, particularly, it seems, in the Middle East and North Africa. The organization was opposed to the Gulf War against Iraq, and participated in anti-war demonstrations in Washington, D.C. Muriel Mirak, a member of the cult's National Executive Committee, also visited Iraq several times, not long after Operation Desert Storm as part of a LaRouchite "Save the Iraqi Children" campaign. According to former members, on her return from one such trip, Mirak gave a briefing at Helga Zepp LaRouche's house near Wiesbaden, and praised the efficiency of the Iraqi dictatorship's internal security forces. The activity on the Iraqi front represents a renewal of ties which had been moribund since the mid-1970's.

The International Scene: Opening to the Islamists

In a startling new development, the organization appears to be making overtures to individual Islamists and Islamist regimes. It has attempted to develop contacts with The Sudan, a repressive regime which has become a base and haven for Islamist terrorists. LaRouche's wife, Helga Zepp

LaRouche, who heads the cult's European branch, participated in an ecumenical conference in Khartoum in April 1993. She led a Schiller Institute delegation to the conference, where she also chaired a discussion panel. A photograph of Zepp LaRouche published in *Neue Solidarität*, a German LaRouche publication, shows her affecting a modified version of Islamic dress, and seated with the Sudanese head of state, Gen. Omar al-Bashir, who took control of the country in a *coup*. Sheikh Hasan al-Turabi, the *de facto* ruler of the authoritarian state and a figure in Islamist terrorism also attended the conference.⁵ The article in *Neue Solidarität* described the Islamist strongman as the "world famous Moslem leader Dr. Hasan al-Turabi [who] inspired a unique interpretation of Islamic law."

Contacts with the Sudanese have continued. Just over a month after the Khartoum meeting Zepp LaRouche spoke at a press conference in Bonn at the invitation of the Sudanese embassy there. Referring to the authoritarian, Islamist regime, *Neue Solidarität* said Zepp LaRouche "stressed everything she saw in Sudan was testimony to religious tolerance."⁶ The government would only reject negative aspects of Western society." A photograph shows Zepp LaRouche sitting next to the former Sudanese foreign minister and the Sudan's Bonn press attache.

The cult's attempts to cultivate a relationship with The Sudan have not occurred in a vacuum, but seem part of a broader opening to the Islamists. In the autumn of 1992 the organization launched the Schiller Institute's "World Campaign to Free Shbilar." Layth Shbilar is a Jordanian, a Muslim Brotherhood member sympathetic to the Palestinian terrorist HAMAS, who was facing trial for alleged activities against the government of Jordan, namely conspiring against the state, support for an Islamic dictatorship and support for armed struggle. According to LaRouche publications, Muriel Mirak, the cult's Middle East point woman, went to Amman with a Paris lawyer to observe and publish accounts of the trial. (Shbilar was released by King Hussein a few months later.) Shbilar visited Wiesbaden, Germany, the cult's European headquarters, in the early summer of 1993.

The organization has also published interviews with representatives of another Islamist group, the banned Algerian Islamic Salvation Front (FIS).

The International Scene: LaRouche Goes to Moscow

The LaRouchites have also sailed at flank speed into the troubled waters of the former Soviet empire and opened an office of the Schiller Institute in Moscow. The Schiller Institute is a front orga-

⁵ Under Turabi's sway, instructors from the Iranian Red Guards Corps have staffed terrorist training camps in The Sudan, according to Arab press reports. Turabi has also been linked to Sheikh Omar Abdel Rahman, the blind cleric charged with conspiring to blow up the New York-New Jersey commuter tunnels, the United Nations, and the Federal Building in Manhattan.

⁶ In fact, some groups have been persecuted in The Sudan, including Christians and some Moslems.

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nization frequently used as a vehicle for making inroads abroad and attacking critics at home. The cult has held seminars and conferences in Moscow, Lyndon LaRouche and his wife visited Moscow April 24-29, 1994, Helga Zepp LaRouche and aides travelled to Moscow in the autumn of 1993, and the group has brought Russians and Ukrainians to Schiller Institute conferences in Germany and meetings in the United States.⁷

During his recent Moscow visit, LaRouche lectured at "scientific and economic institutes" according to one of the cult's publications. He told listeners Russia's economic reconstruction "had to take into account the near-term collapse of the vast speculative bubble in the world financial system" and "international institutions such as the IMF and WORLD BANK would NOT SURVIVE this process intact." (Emphasis in original.)

LaRouche publications appear to be taking an anti-Yeltsin line, and were at one point pro-Rutskoi.

LaRouche and his wife are enjoying some friendly Russian press coverage: an opposition newspaper published an interview with LaRouche in prison, and *Pravda* interviewed Helga Zepp LaRouche, who is spearheading the Russian venture. The account notes that *Pravda* used to call the Schiller Institute a colloquium of murderers, but "times have changed and the collaborators of the Schiller Institute turn out to be adversaries of liberal doctrine and were persecuted in the U.S." The piece also says that in 1989 (presumably from prison) Zepp LaRouche's husband proposed reconstruction programs for Russia.

According to the cult's publications, LaRouche's book, *So You Want To Learn About Economics?* has been printed in both Russian and Ukrainian language editions.

The LaRouche organization's pursuit of contacts and influence is not limited to Russia, but includes the former Soviet republics and bloc states. In addition to Russians and Ukrainians, the group has brought figures from the former East Germany to conferences in Germany and meetings in the U.S. It has also made some attempt at cultivating figures of the former East, staging pro-Croatian demonstrations in Germany, and bringing Hungarians and formerly East Germans and others to conferences. Nonetheless, the cult appears to be concentrating its efforts — which date from German reunification — on Moscow and St. Petersburg.

⁷ The Schiller Institute in Moscow seems somehow involved in an entity about which little is known, called the Academy of the Hundred, also known as the International Ecological Academy, whose chairman has praised LaRouche as some sort of genius. According to recent accounts in the group's publications, LaRouche was formally admitted to the International Ecological Academy "as one of 100 select members" when he went to Moscow in April.

Piercing the Corporate Veil

The LaRouche cult encompasses a welter of fundraising arms, corporations, printing and composition companies, publications, political fronts, and cultural and scientific "institutes" in the United States and abroad. (A list follows at the end of this report.)

The shifting constellation of LaRouche entities can be confusing: if one becomes a liability, it is allowed to wither while others take its place.⁸ New entities are created to exploit emerging issues all the time.

To the question of how these fit together, the short answer may be, "It doesn't matter." The fronts form a single entity. Documents seized from the group in a 1986 law enforcement raid in Leesburg reveal that assets were routinely commingled and shifted from corporation to corporation for little or no consideration. Thus, they may well be considered one entity legally.

LaRouche followers don't really work for the Schiller Institute or Southeast Literature Sales in the traditional sense of being employees.⁹ They are members of the National Caucus of Labor Committees first, and are merely "deployed" to various fronts as the need arises.

The NCLC is governed by a National Committee, in turn supervised by a National Executive Committee composed of long-time LaRouche associates.

The cult's real structure is reflected in an internal headquarters phone list seized by law enforcement authorities in a 1986 raid of the group's headquarters. Except for PMR Printing and WorldComp, two for-profit companies (see Appendix), and Fusion Energy Foundation (defunct), none of the LaRouche entities are listed. Individuals are listed under the headings: "Accounting and Budget, Archives, Circulation, Input Room, Construction Operations, Communications, Computer Operations, Computer Room, Economics, Editorial, Field Coordinators, Finance, Receptionist, CC Authorizations [probably refers to credit card], FEF, Ibero-America, Ibero Editorial, Intelligence, Legal, Logistics, NEC Offices [National Executive Committee], Operations, Press, Printer, Sales and PR, NC Phone Sales Team, Security Staff, Security, Ben Franklin Booksellers, Loudoun County News, Medical Clinic, PMR, Sweetwater [Sweetwater Farm, a parcel of land], Weisbaden [European headquarters, and headquarters of the International Caucus of Labor Committees], and WorldComp."

⁸ For example: the U.S. government attempted to place three LaRouche corporations in involuntary bankruptcy in 1987 because of unpaid contempt fines, incurred when the organization defied a Boston Federal Grand Jury investigating allegations of credit card fraud. Rather than work with court-appointed interim bankruptcy trustees to preserve the corporations' assets, the organization simply replaced the corporations with new ones. One of the corporations was Caucus Distributors, Inc. (CDI). CDI's most important role was fundraising and running LaRouche field offices around the country. Rather than replace CDI with a single entity, the organization created a network of corporations to serve as fundraising arms, including Southeast Literature Sales, Inc., John Marshall Distributors, Inc., Hamilton Systems Distributors, Inc., and Midwest Circulation Corp. Several of these corporations listed the same addresses as the local CDI offices they replaced.

⁹ See Appendix.

The International Organization

In addition to the European organization headquartered in Germany, there is an "Ibero-American" organization based in Mexico. The cult has organizations in France, Italy, Sweden, Panama, Peru, Colombia, Guatemala, and Argentina, and a presence in Venezuela, India, and Thailand. It has ventured into Japan.

Foreign LaRouche followers are members of the International Caucus of Labor Committees, the international counterpart to the National Caucus of Labor Committees in the United States. Also like the American organization, the international wing maintains a network of cultural and scientific institutes, publications, political fronts, and the like.

Unlike the American organization, the international organization appears to do little fundraising, and has never been self-supporting. LaRouche financial documents and former followers indicate, for example, that the United States operation has traditionally been a cash cow for Europe.

The story of how that cash cow grew fat is the story of how LaRouche's obsession with the secret world of spies and assassins changed the organization into a fundraising juggernaut to feed his fixation.

The Cultural Revolution: From Intelligence Gathering to Fraud

LaRouche has been obsessed with the specter of assassination since 1973, when he detected what he thought was a CIA-brainwashed assassin among his followers. Purported assassination threats have been a fixture ever since. "I have a major personal security problem," he wrote in a leaflet twelve years later, "... the assassination-teams of professional mercenaries now being trained in Canada and along the Mexico border may be expected to start arriving on the streets of Leesburg [Virginia] If they come, there will be many people dead or mutilated within as short an interval as sixty seconds of fire."¹⁰ After he went to prison, LaRouche complained to followers that the rigors of lifting heavy pots and pans on the prison kitchen detail were part of a deadly plot against him. (A former follower quipped that the K.P. duty was obviously an "assassination pot.")

As wacky as it sounds, LaRouche's preoccupation with assassination has had several practical uses. Early on, LaRouche employed it briefly to tighten his grip on followers, by creating a Stalinist suspicion within the ranks that fellow members might be unwitting, brainwashed assassins; suspicious behavior, which included expressing doubts about LaRouche or his policies, meant turning in the

¹⁰ The authorities in Loudoun County, Virginia, had provoked LaRouche's ire by denying his bodyguards' applications for renewal of their concealed weapons permits. In a 1985 leaflet, he accused the FBI of using the Sheriff's Department "to ensure" his "early killing."

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person for "deprogramming" at LaRouche's hands. Since then, the cult leader has used the bogey of assassination to foster a siege mentality, which helps maintain his control, has spun off an intelligence-gathering operation with a myriad of applications (see below and "The International Scene," above), and has manipulated it to flog followers to ever more frantic fundraising efforts to pay for his imagined security needs.

By the late 1970's LaRouche's assassin fetish spawned a massive "security and intelligence" effort. In addition to physical security — armed bodyguards, a bulletproof raincoat, and an armored car for starters — the security and intelligence staff ferreted out supposed threats to LaRouche.¹¹ Information on terrorist networks deemed to endanger prominent figures (including LaRouche, of course) and other perceived enemies went into the "Mongoose File," named after the snake-killer codeword of a famous CIA covert operation concerning Cuba.

This effort grew into what the cult fondly believed was the finest intelligence-gathering operation in the world. One of the primary roles of the operation became to cultivate contacts with political, intelligence, and law enforcement figures. To this end, the LaRouche "security and intelligence" staff published *Executive Intelligence Review*, a magazine, and *Investigative Leads*, a newsletter. Several former staff members describe how some bits of information, stripped of the bizarre LaRouchite spin, proved reliable and the group was able to win entrée to some government functionaries on the matters of

¹¹ Within the cult, assassination fever reached ludicrous proportions in the 1970's and 1980's. Security staffers competed over the number of assassins and other enemies they uncovered, swallowing cockamamie stories from code-named sources such as "Clay," who was Ku Klux Klansman Roy Frankhauser, and "Leviticus," who was Jewish Defense Organization militant Mordechai Levy, and other paid and unpaid "consultants." (The group's paranoia was easy to manipulate. Some of the consultants scammed the organization for money; Frankhauser convinced the security chiefs he was wired into high-level U.S. intelligence circles.)

Former security staff describe periods in which they feared LaRouche's paranoia would get someone killed. During a 1982 panic in Germany over supposed vehicular assassination attempts against the LaRouches — an alarm apparently touched off by an ordinary traffic accident in which Helga was involved — LaRouche issued an order that there should be a minimum of eight persons in his convoy, and, if there was vehicular interference all weapons should be pointed at that driver's head.

Most security staff carried their firearms locked and cocked, as did LaRouche, who usually wore a Colt .45 on his waist. (The world's leading economist may also have been the world's luckiest man, in that he didn't accidentally shoot himself.) LaRouche also had a .357, an M-14 semi-automatic rifle, and a pump-action shotgun.

LaRouche's bodyguards have their own assortment of firearms, mostly semi-automatic pistols. Loudoun County, Virginia authorities declined to renew the bodyguards' concealed weapons permits in 1987. The cult has made a practice of hiring cashiered or off-duty police officers for security duties in the past. Security staff have also gone through paramilitary training courses.

Security staff also performed less orthodox functions, such as shopping, cleaning, and cooking for the LaRouches and for Helga's dogs (the dogs ate steak). According to former security staffers, Helga, a horsewoman, once insisted that security cut branches from the public riding path she used in a German park. She also had security routinely precede her down the sidewalk, clearing other pedestrians out of her way as she walked the two dogs, one of which was vicious and had bitten several persons.

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drugs and terrorism. Thus, LaRouche was able to meet with Adm. Bobby Ray Inman when Inman was the Deputy Director of the CIA and with Norman Bailey, a member of the National Security Council staff. (LaRouche was so drawn to the spy world that he boasted of exchanging information with the KGB in the early 1980's; his security and intelligence lieutenant Paul Goldstein later met with Soviet disinformation agents engaged in the effort to blame the attempted assassination of the Pope on the CIA.) While the contacts with U.S. officials proved limited, one-way, and short-lived, they reinforced LaRouche's preoccupation with intelligence, and the organization's devotion to it.

All this changed in 1984. In an upheaval dubbed by ex-members, "The Cultural Revolution," the organization was transformed from an intelligence gathering and reporting operation to a full-time fundraising apparatus, according to the testimony of former members. The change came with a bullying, bunker mentality that likened fundraisers to Gen. George Patton's army. The theme music from the movie *Patton* was sometimes played. Loans were referred to as "war bonds" or "ammo."

But these loans — solicited ostensibly to fight drugs, AIDS, and promote the Strategic Defense Initiative — weren't really loans. The cult never intended to repay them. A former member of the security and intelligence staff testified in federal court that the group's fundraising czar, Will Wertz, told his underlings, "There is no such thing as a loan."

Members believed the public were unworthy citizens who owed their money to LaRouche. A former fundraiser testified that supervisors told fundraisers, "If you are talking to a little old lady and she says she is going to lose her house, ignore it. Get the money. If you are talking to an unemployed worker who says he has got to feed . . . a dozen kids, forget it. Get the money Most of these people are immoral anyway. This is the most moral thing they have ever done is [sic] giving you money." The same witness testified that Wertz — who later went to prison for his role in the scam — instructed fundraisers to tell lenders who demanded their money back, "We are in the midst of a war fighting for the survival of the human race In war there are casualties."

The Cruel Charade Exposed

In December 1988, after three years of such conduct and a two-year investigation by the FBI, IRS, U.S. Postal Inspectors, Secret Service, and Loudoun County Sheriff's Department, a federal jury in Alexandria, Va. convicted LaRouche and six associates for their roles in what turned out to be a nationwide loan fraud scheme. Between 1983 and mid-1986 fundraisers took the life savings of scores of mostly elderly persons. The total was at least \$30 million. LaRouche was also convict-

ed for conspiring to defraud the Internal Revenue Service, by hiding his income to avoid taxes.¹²

Ten victims of the scheme testified that they loaned various LaRouche fronts money for fighting drugs and other causes, and lost what for many was everything they had. Elizabeth Sexton, a Suffield, Conn. widow, testified, "It was my life savings. They left me in debt."

According to the testimony of former security staff, the money, ostensibly for security, went to support Lyndon and his wife Helga in high style. Security staff shopped, purchased food, stocked the wine cellar, served dinner, cleaned house, and chauffeured the LaRouches in an armored car. Members worked with LaRouche to hide his personal expenses — clothing, pipe tobacco, a handgun and a rifle, medical and veterinary expenses — under an "Editorial Advisory Expenses" account. Because of their success in disguising the expenditures, LaRouche was charged with defrauding the IRS rather than tax evasion. "He did a good job," Assistant U.S. Attorney Kent Robinson told the jury, "we don't know how much money he received."

And while fundraisers were telling lenders who were pleading for their money that there were no funds to repay them, the organization spent lavishly on a Virginia hunt country estate, which included a swimming pool, horse barn, riding ring, fish pond, and piano.

In his summation, Assistant U.S. Attorney John J.E. Markham, another prosecutor, attacked LaRouche's defense that the money was necessary to protect him from assassination. Markham told the jury, "He was afraid for his life and therefore had to put in a swimming pool. Was it his fear that the bogeyman would sneak in through the back forty and, just before he got to LaRouche to kill him, trip and drown in his new and improved swimming pool? What nonsense!"

The defendants were stunned by the guilty verdict. But LaRouche quickly grasped why he'd been convicted. At the sentencing hearing he solemnly informed Judge Albert V. Bryan, Jr. that he was a victim of a plot by British intelligence, and was being made a martyr in a "political prosecution." Visibly taken aback, Judge Bryan rejected the allegations as "arrant nonsense," opined that the idea that LaRouche posed a sufficient threat to anyone to prompt such a response "defies human experience," and sentenced LaRouche to fifteen years.

The federal trial was followed by a series of state trials in Virginia and New York that began in 1989. In the last five years, Virginia Deputy Attorney General John Russell and his colleagues have won convictions against or obtained guilty pleas from fifteen LaRouche fundraisers and two corporations

¹² A previous trial in U.S. District Court in Boston ended in a mistrial in the spring of 1988. LaRouche and thirteen associates had been charged with credit card fraud and obstruction of justice, the latter for allegedly impeding a federal grand jury investigation.

for securities fraud (loans secured by promissory notes are deemed securities in the Commonwealth of Virginia). Those found guilty included master fundraiser Michael Billington, who was previously convicted in Alexandria. The jury, its sensibilities outraged by Billington's treatment of his victims, recommended a 77-year sentence, which the judge let stand.

Unfortunately, imprisoning LaRouche and his fundraisers did not end the cult's appetite for other people's money. In one instance, a fundraiser who had just been convicted in Virginia and was out on bond pending appeal zeroed in on a new victim in Maryland within days, to devastating effect.

Fundraising: Old Wine in New Bottles

LaRouche fundraisers continue to target older Americans, some Alzheimer's-afflicted, with unrelenting high-pressure tactics. They display an abiding callousness toward their marks. During the loan fraud period, one victim wound up living in her car after she lost her house. She had taken out a mortgage in order to lend money to the group, but, when the LaRouche group did not repay her, was unable to meet her mortgage payments. She died before the federal case was brought. Not much has changed. A new victim, in the Pacific Northwest recently gave LaRouche fundraisers the last of her funds. She has been reduced to living in a chicken wire and tarpaper shack.

While followers no longer, it appears, solicit loans that the organization has no intention to repay, they relentlessly press for outright contributions. These tactics are apparently successful, bringing in several million dollars a year. Their techniques typically include squeezing the mark for more and more cash, bonds, securities and other assets over a period of months until the worn-down victim has little or nothing left. Persistent, unsolicited telephone calls, sometimes daily, uninvited visits to the victim's home, lasting up to a mind-numbing seven hours, and an ability to pry loose comprehensive information from the victim on her assets (most are elderly women) are standard-issue weapons in the LaRouche fundraisers' arsenal. These maneuvers have repeatedly thrown the cult into civil litigation and in one case prompted an aborted criminal prosecution.

One of the earliest examples of the new fundraising tactics came on the heels of a state prosecution in Virginia. A Loudoun County Circuit Court jury convicted fundraiser Rochelle Joyce Ascher of securities fraud in June 1989. The jury, incensed by her actions, recommended a sentence of eighty-six years, of which the judge suspended seventy-six years. Three days after her conviction, Ascher, on bond pending appeal, took aim at a new mark. In the months that followed, the convicted felon and her colleagues induced Helen Overington, an engaging and energetic 82-year-old Baltimore widow, to give them nearly three-quarters of a million dollars.

Interviews with Mrs. Overington and her family reveal that the fundraisers telephoned and visited her at all hours, sometimes staying into the night, figured out what interested her, such as the issues of drugs and hunger, talked endlessly about these things, and told her that her money would go to fight these evils. They showed her videotapes of LaRouche monologues, and brought her to LaRouche meetings and demonstrations. Ascher also played to Mrs. Overington's conservative leanings, emphasized that she herself came from a "nice family," and claimed an *alma mater*, Goucher College, in common.

Ascher and the other fundraisers skillfully got Mrs. Overington to reveal her assets. After she gave them several hundred thousand dollars in stocks, she began to demur over further contributions, saying she needed the money to live on. The LaRouchies reminded her of other stocks or bonds she had mentioned. And when Mrs. Overington's regular stockbroker grew suspicious at her sudden conversion of securities to cash and began to question the transactions, the LaRouchies steered Mrs. Overington to a more compliant broker at another firm.

Ascher and her colleagues warned Mrs. Overington not to tell her children about her relationship with the group, saying that her children were only interested in her money. To avoid tipping her family off that something was amiss, the LaRouchies gave Mrs. Overington a check to cover the precise amount of her customary Christmas presents of cash to her children — three thousand dollars each to her three daughters and one son. By then she didn't have enough money of her own left.

When Mrs. Overington became concerned that the sale of her stock would result in a large capital gains tax liability, the fundraisers allegedly assured her, falsely, that these were charitable contributions, and, to Mrs. Overington's mind, therefore, deductible.

Ultimately Mrs. Overington gave approximately \$740,000 to the LaRouche cult, chiefly to Southeast Literature Sales, a Baltimore front.

Ascher finally exhausted her legal appeals and went to prison, but too late for Mrs. Overington. Ascher was released on April 2, 1994, after serving a year and a half of her sentence.

John Russell, Senior Assistant Attorney General of the Commonwealth of Virginia, who prosecuted Ascher, describes the fundraiser as a menace. "As I've stated repeatedly in court," Russell said recently, "Shelley Ascher is one of the most dangerous people I've come across in terms of her ability to extract money from people and the ruthlessness with which she's done it."

On March 11, 1994 attorneys for Mrs. Overington filed a civil RICO (Racketeering Influenced and Corrupt Organization) suit against Southeast Political Literature Sales and Distribution, Inc., the Baltimore LaRouche front, and Rochelle Joyce Ascher, Irene Beaudry, John Ascher, and Keith Levit, all Baltimore-based fundraisers, seeking treble damages.

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The only criminal case arising from the cult's new tactics involved Harriet E. Driver of Oregon, Ill. According to the then-Ogle County State's Attorney Dennis Schumacher, three LaRouche fundraisers from the cult's Chicago office visited Mrs. Driver repeatedly over a period of months in 1989. They allegedly refused to leave her house until she gave them money, and didn't even let her visit the bathroom unescorted. Mrs. Driver felt intimidated by the three, and was unable to resist their importunings. Over time, the fundraisers obtained approximately \$72,000 from Mrs. Driver, which went to Mid-West Circulation Corp., a Chicago LaRouche front.

The State's Attorney brought charges against the three LaRouche fundraisers of robbery, theft by threat, intimidation, and robbery of a person over the age of 60. The judge declared a mistrial after Mrs. Driver suffered a stroke on the witness stand. She recovered but felt unable to continue with the prosecution.

After the mistrial, the LaRouche defendants filed suit in federal court against the prosecutor alleging malicious prosecution and other complaints. They also named as defendants Mrs. Driver's daughter and a network television producer who mentioned the case in a story. Although the case was dismissed, it left Mrs. Driver's daughter with several thousand dollars in legal bills.

Civil suits against the LaRouche entity have included actions on behalf of Alzheimer's and dementia victims. Elmer Yoder, 89, of Gettysburg, Pa., lost more than \$261,000. After Yoder won a judgment in federal court and attached the bank accounts of a slew of LaRouche entities, the cult settled Yoder's claims for an undisclosed amount. The brokerage firm which converted his stocks also settled with Yoder for an undisclosed amount. Jane Young, 87, of Duluth, Minn., lost \$120,000 and reached an out-of-court settlement with the brokerage firm used in her case.

More than a dozen other instances of abusive tactics have come to the attention of ADL through inquiries from attorneys, family members and investigators, and through news accounts. The consensus among experienced investigators is that these victims represent only the tip of the iceberg.

The Campaign Against ADL

During the last year-and-a-half LaRouche followers have embarked on a new campaign against ADL. Jewish neighborhoods across the country have been blanketed with anti-ADL screeds. ADL staffers have been harassed at their homes and LaRouchies have joined with Louis Farrakhan's Nation of Islam (NOI) to denounce ADL as "the new KKK."

The cult has tried to "Poison the Well for the ADL" with law enforcement agencies and human relations and civil rights commissions. The group has echoed spurious claims made by ADL detrac-

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tors during a controversial official investigation into alleged improprieties in ADL information-gathering in San Francisco. (The investigation ended in November 1993 without criminal charges being brought against ADL.) The LaRouche cult charged that ADL runs a nationwide espionage ring, has bribed police officers, shielded drug dealers from prosecution, and shared information with Israeli intelligence agencies.

The current anti-ADL campaign is a new twist on an old pursuit. LaRouche has regarded ADL, and especially its Fact Finding Department, as its *bête noire* for many years. ADL exposure of the group as an anti-Semitic cult has threatened LaRouche's legitimacy with his own followers, particularly Jews, while undermining his ability to gain access to figures in intelligence and police agencies, governmental research centers, presidential palaces and parliaments, whose recognition he craves.

LaRouche's animus against ADL intensified after his 1988 conviction and subsequent imprisonment.¹³

In the conspiracy-wracked brains of LaRouche and his acolytes, ADL staff's legitimate assistance to investigators and prosecutors was twisted into a leading role in a supposed "Get LaRouche Task Force" composed of the Department of Justice, FBI, IRS, Secret Service, U.S. Postal Inspectors, Virginia State Police and Loudoun County Sheriff's Department, whose goal had allegedly been to "railroad" LaRouche into prison. Shortly after LaRouche's imprisonment the cult took a half-page ad in *The New York Times*, denouncing the machinations of the "Get LaRouche Task Force," in which ADL figured prominently. The cult even subpoenaed the ADL Washington Fact Finding Director to a hearing in which it attempted to prove improper collusion among investigating agencies, prosecutors, and ADL. But, as one federal agent put it, "The only conspiracy was a conspiracy to enforce the law."

Since then, the cult appears to have changed its mind about the ADL role. The group appears to have concluded, on reflection, that it is ADL itself that is behind its troubles; the law enforcement agencies act as ADL agents. This perception may in part have prompted the cult's renewed drive against the civil rights group.

ADL as "KKK"

The current campaign against ADL is the nastiest yet. It began in the late summer of 1992, with a LaRouche drive to remove a Washington, D.C. statue of Confederate General Albert Pike, who the cult claimed was a founder of the Ku Klux Klan. LaRouche supporters persuaded a District of

¹³ Ironically, the IRS case against LaRouche that culminated in his 1988 tax fraud conviction began when LaRouche unsuccessfully sued NBC-TV and ADL for libel in 1984. LaRouche disclosed on the witness stand that he had not paid income taxes in ten years, piquing the interest of an IRS agent. LaRouche had sued after the ADL Fact Finding Director described the organization as "an anti-Semitic political cult" and labelled LaRouche "a small-time Hitler" on a network television newsmagazine show.

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Columbia City Council member to introduce a resolution calling for the statue's removal, but the bill was withdrawn after a Congressional Research Service study found no reliable evidence to support the Klan connection. At weekly demonstrations, LaRouche followers — occasionally joined by Nation of Islam members — distributed leaflets alleging that B'nai B'rith "coordinat[ed] with Pike in founding the Ku Klux Klan." They also accused ADL of "slandering black leaders as 'anti-Semitic.'"

LaRouchies followed this caper with demonstrations, anti-ADL leaflets, and lobbying for similar resolutions in cities across the country.

By late 1992 the cult fired another round — a dud — with the publication of *The Ugly Truth About the ADL*, which contains LaRouchite propaganda war horses on the League's alleged links to organized crime, drug trafficking and espionage. The book also asserts ADL "ran" a terrorist "Jewish Underground" from behind the scenes," responsible for bombings and assassinations, and that the murderer of civil rights activists Goodman, Cheney and Schwerner in 1964 was a supposed ADL "agent provocateur." Finally, in a bid for support from Nation of Islam sympathizers, the authors charge that by criticizing the NOI, ADL is "Peddling Slavery Still Today."

The LaRouchites are so consumed by anti-ADL animus that they have sought out at least one group they once anathematized: the Nation of Islam. During the fall of 1992 LaRouche representatives twice joined with a senior Farrakhan lieutenant to denounce ADL as "the new Ku Klux Klan," an Orwellian inversion that is the brainchild of the cult. The two groups held programs at Howard University and the University of the District of Columbia titled, "Is the Anti-Defamation League (ADL) the New Ku Klux Klan?" Dr. Abdul Alim Muhammad, director of the NOI's Washington, D.C. AIDS clinic, slammed ADL for its 1992 publication, *The Anti-Semitism of Black Demagogues and Extremists*, terming the report an attempt to "decapitate, if you will, to lynch, if you will, the black community."

These efforts continue. On April 13, 1994, Abdul Alim Muhammad and Larry Freeman of the Baltimore LaRouche office spoke at a forum at historically black Morgan State University in Baltimore. The event, sponsored by the LaRouchite Schiller Institute was billed as, "The Ugly Truth About the ADL." The next night a similar program was held at Howard University in Washington, D.C.

Muhammad told an attentive Morgan State audience, "We are . . . at war," according to *The Baltimore Jewish Times*. "Who's fighting us? The ADL. Either we overcome them or they overcome us. Until they kill all of us or me them. Kill all of them if it comes to that. We must fight them until we crush them."

During the latter event, LaRouche representatives stated, "ADL is behind drugs, destruction of chil-

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dren, and AIDS," and promoted the cult's latest fantasies. According to *The Washington Jewish Week*, they baldly announced that ADL staged the recent massacre at the Tomb of Abraham in Hebron, via the Jewish Defense League, which ADL supposedly operates as agents of assassination. A LaRouche speaker also asserted that the massacre is linked to "an ongoing attempt to assassinate" Louis Farrakhan.

On April 30, a "Stop the Attack" group composed of roughly 35 Nation of Islam members, LaRouche followers, and Howard University students held a demonstration that floated from Capitol Hill to FBI headquarters, *The Washington Post* newspaper, B'nai B'rith headquarters, and wound up at the Washington, DC offices of ADL. Demonstrators asserted that ADL is "a spy-and-assassination network" responsible for keeping blacks from advancement, according to *The Washington Times*. Demonstrators chanted, "Hands off Farrakhan/Stop the attack/We know the ADL is anti-black." The demonstrators' tone was occasionally threatening. They said, "We know you are trying to assassinate Farrakhan," and promised that if Farrakhan is "attacked," "We'll break every bone in your body. An eye for an eye, a death for a death." Some statements were also anti-Semitic. They pledged to "take" the ADL national director "out of his ivory tower in New York if he doesn't lay off" and warned other staff by name, "we're coming after you" if you attack Farrakhan. Some statements were also nakedly anti-Semitic. The demonstrator quoted by the *The Washington Times* yelled, "This is not an attack on Jews — it's an attack on the Anti-Defamation League ... and the synagogues of Satan. ... You have too much control of the country."

Finally, in early June, LaRouche himself escalated what may be an effort to incite Nation of Islam members against ADL. LaRouche asserted that ADL had a role in the shooting of Khalid Abdul Muhammad, the race-baiting Nation of Islam leader. The shooting was allegedly carried out by a former Nation of Islam member in Los Angeles in May. The cult leader stated that ADL uses "assets" for "doing the rough stuff, including setting up some of the murders which ADL sponsors...."

He continued, "the shooting...was preceded by a...security stripping [sic] effort" which "occurred under ADL influence...and the shooting could not have occurred without the ADL security stripping...." This "indicates that somebody had some premeditation of something possibly nasty to happen to him...."[sic] The cult leader discerned that "ADL is perfectly capable of having someone pick out, recruit even unwittingly, and manipulate...some disgruntled person...and to use such [a]...person."

LaRouche concluded, "Now, around the Nation of Islam, many of these people came from a rough background. They have associates who have rough backgrounds. And when rage runs out of control, someone suddenly becomes disloyal or extremely obsessively committed to an obsessive hatred,

against a key figure of the Nation of Islam, feeling that they're the victims of an injustice, and all manipulated and so forth, in the way that the ADL and some of its associates manipulate members of groups to become weapons against targeted groups."

The revitalized anti-ADL campaign seems to have been galvanized by what the cult perceived as ADL weakness in the face of the 1993 San Francisco investigation and accompanying attacks by those opposed to the League's gathering and publishing information about them — activity protected by the First Amendment. During this period, LaRouche security and intelligence staffers energetically peddled their anti-ADL wares to some unwary journalists and claimed a relationship with investigators. The cult was incensed when the matter was settled without criminal charges being brought against ADL.

Throughout 1993 LaRouche disciples distributed a variety of vituperative flyers and a revised edition of *The Ugly Truth* in Jewish neighborhoods across the country, including Minneapolis, Cleveland, the District of Columbia and its Maryland suburbs, Baltimore, Pittsburgh, Teaneck and Bergenfield, N.J., Newton, Mass. and Richmond, Va. Other anti-ADL materials were distributed in many other cities.

A leaflet distributed in Teaneck stated, "THE ADL IS A RACIST, CONSPIRATORIAL, ANTI-GOD, PRO-SODOMY ORGANIZATION.... [IT] IS A CENTRAL PART OF THE COMMAND STRUCTURE FOR WHITE SUPREMACISTS, regularly sending agents provocateurs into groups like the KKK to commit their worst atrocities."

The cult has also used public access cable television to press its attack in the Washington, D.C. area, and picketed school boards to protest the outcomes-based education concept, asserting ADL is "the evil behind the program...."

On another front, the LaRouche organization has for some years tried to drive a wedge between ADL and law enforcement agencies, with which ADL shares publications and other information and provides training assistance on a variety of subjects, including hate crimes. In the last year the group has intensified its long-running efforts. Cult members have written to police departments and prosecutors throughout the country demanding they investigate charges by LaRouche and some extremists that ADL has "infiltrated" police departments nationwide. In November 1993 LaRouchites distributed similar literature at the annual convention of the International Association of Chiefs of Police in St. Louis. Their efforts have had no discernible effect.

Personal Attacks

Not content with attacking ADL from street corners, by poison-pen letters, face-to-face "briefings," and the pages of its tabloids, LaRouche followers harassed ADL staff at their homes. They dis-

tributed a flyer attacking the ADL New England Regional Director and Regional Board Chairman in their hometown of Newton, Mass. The leaflet ponders whether a statement quoted by the Regional Director is "merely the paranoid rambling of . . . 50 year old hippies who put too much LSD in their Geritol? Or does it reflect the state of mind of the yuppie capo of a gang of drug-pushing criminals who are about to be busted? Or both?" The flyer also accused ADL of "hiring of KKKers and vandals to hold rallies, paint swastikas on synagogues, or desecrate graves, as publicity stunts for fundraising."

LaRouche supporters in the South mirrored the efforts of their Yankee cohorts. During the autumn of 1993, LaRouche supporters distributed flyers attacking an ADL lay leader in his residential neighborhood in Richmond, Va. The flyers described ADL as a "hate group" and accused the lay leader of corrupting Virginia's judicial system. In particular, the flyer claimed ADL had "harass[ed]" individuals who endorsed an ad calling for LaRouche's release from prison. The leaflet's basest assertion was that ADL had attempted to influence Virginia Circuit Court Judge Clifford R. Weckstein, who was trying a series of LaRouche fundraisers on state securities fraud charges, and who repeatedly upheld the jury's recommended sentences, which were unusually severe for white-collar crimes.

Finally, in June 1993, the ADL Washington Fact Finding Director returned home one evening to find "WANTED" posters with her photograph and description papering her street, accusing her of "kidnapping, espionage and theft on behalf of drug runners, terrorists and murderers." The defamatory posters described her as "a dangerous 'former' CIA agent." For months, flyers were distributed which included her photograph and address. Later handouts, in this heavily Ukrainian neighborhood, accused her of attempting to murder accused Nazi war criminal John Demjanjuk. The libelous leaflet concludes, "If you want to live next to a former CIA agent, turned ADL agent who has been involved in illegal spying...and who specializes in working with kidnappers, snitches, and other perverts, that is your right. We as a public service thought we should at least warn you."

Personal attacks against critics have been a LaRouche hallmark for many years.¹⁴ Former members stress, however, that ADL remains an epicenter of the LaRouche universe, and the attacks on ADL figures are even more likely to be sustained.

¹⁴ Since the early 1980's, cult members distributed leaflets accusing then-federal prosecutor John J.E. Markham of being a satanist, accusing a female journalist of being a prostitute, and another of being a "KGB whore." They also distributed invitations to a supposed "gay coming-out party" at the home of a male journalist, and threatened the life of a former LaRouche cult member (see above). One of the most daring acts of harassment was the creation of a bogus *New York Times* Sunday supplement, containing a fabricated Barbara Walters interview with controversial New York lawyer Roy Cohn, in which Cohn purportedly admitted his homosexuality. Another target was Gov. William Weld, then an Assistant U.S. Attorney General who had been the U.S. Attorney for Massachusetts under whom the federal case against LaRouche began.

Recent LaRouche activities against ADL have extended to at least two other countries. Followers disseminated leaflets outside the Council of Jewish Federations' General Assembly meeting in Montreal in November. The flyers were distributed when Israeli President Yitzhak Rabin was speaking, and claimed LaRouche had the solution to peace in the Middle East, which ADL had sabotaged. The leafletting may also have been timed to target the ADL National Director, who also spoke at the convention. The LaRouche leaflets ranted, "[T]he ADL (anti-Semitism's greatest friend)" engages in "daily practice of subversion of law and morality through its nationwide espionage ring, its infiltration of lawful organizations, blackmail and extortion of Congress."

The cult appears poised to launch a new round in its campaign against ADL and prominent Jews, by excoriating George Soros, the accomplished financier, and tying him to ADL. The LaRouchies have had a bee in their bonnet about Soros for some time, assailing him for conducting a "strategic bombing on the D-mark" and the German economy (Soros made a currency play involving the Deutsche Mark), and allegedly backing the terrorist Shining Path group in Peru.

Now the cult has decided to drag ADL into this surrealist picture. LaRouche operative Scott Thompson — reputed among ex-members to be one of the most virulent anti-Semites in the organization — telephoned ADL recently and asserted that Soros got his money by looting the property of Jews sent to Auschwitz. "This is blood money," he said, and Soros is ADL's cat's paw. Thompson told ADL, "Get rid of Soros."

Ties to Other Extremists and Bigots

The LaRouche organization has employed and collaborated with extremists, bigots, and conspiracy theorists from Klansmen and the anti-Semitic Liberty Lobby to Louis Farrakhan's Nation of Islam. From the late 1970's to the early 1980's the cult reached out to everyone it could on the far right. The common thread between LaRouche and these groups was opposition to the "eastern establishment" and the supposed "Zionist conspiracy" they held was ruining the country.

The cult employed a Klansman, Roy Everett Frankhauser, as a "security consultant" from approximately 1974 to late 1986. Frankhauser was already a convicted felon for having supplied the explosives used in a 1971 school bus bombing in Pontiac, Michigan. In late 1987 a federal jury in Boston convicted Frankhauser of obstruction of justice for advising LaRouche and his staff, who were subjects of a federal grand jury probe of credit card fraud, to burn subpoenaed documents — "Paper burns at Fahrenheit 451," he told security and intelligence staff members — and advising them to send witnesses sought by the grand jury out of the country. Since serving his term he has resumed

his Klan activities in Pennsylvania, first with the Invisible Empire, Knights of the Ku Klux Klan, and now with a group he has styled the United Klans of America.

During the mid-1970's there was a period in which the LaRouche group was reaching out to right wing extremists and exploring the possibility of working with them on topics of mutual interest, particularly campaigns against ADL and the so-called Zionist lobby. Preoccupied with "intelligence" LaRouche followers viewed some of these individuals as sources of intelligence information, having convinced themselves that some of these extremists, especially Frankhauser, were closely tied to the U.S. intelligence community. Thus, the organization also maintained contact with the late Robert J. Miles, an Identity Church "Minister" in Cohoctah, Michigan, who was heavily involved in the virulently anti-Semitic and racist Aryan Nations. Miles was among those convicted with Frankhauser on conspiracy charges in the Pontiac school bus bombing. In the late 1980's he was unsuccessfully prosecuted for his alleged role in a plot to overthrow the constitutional government of the United States by force of arms as part of a racist revolution. Miles was also Frankhauser's mentor, and since the LaRouche "security and intelligence" team believed Frankhauser was a spook, it followed that Miles too was an intelligence operative, according to a former security staffer. (They must have thought Cohoctah a very strategic location.)

The group corresponded with Tom Metzger, a former Klansman who heads White Aryan Resistance, a California-based hate group, for similar reasons of seeking common ground for cooperation. Metzger and his son were held civilly liable in a suit brought by the Southern Poverty Law Center and ADL for the 1988 murder of a young Ethiopian immigrant in Portland, Oregon who was beaten to death by neo-Nazi skinheads incited by a WAR recruiter.

LaRouche and his followers have also cultivated a relationship with Liberty Lobby, the largest, best financed anti-Semitic organization in the country, located in Washington, D.C. LaRouche and his top lieutenants met with Liberty Lobby's head, Willis Carto, in the 1970's to discuss working together. The relationship has waxed and waned; however, members of LaRouche's "security and intelligence" staff continue working with Liberty Lobby associates on projects of mutual interest. (See, for example, next section.)

Finally, the LaRouche organization maintains ties to the Nation of Islam (NOI). Although the cult used to publish material exposing the NOI's links to violent gangs and terrorist regimes, it has apparently decided to use the black Muslim group as a vehicle to garner support in the black community. Curiously, the cult's relationship with the South African Bureau of State Security — with whom it had a contract to monitor anti-apartheid groups in the late 1970's and early 1980's — has not been a stumbling block.

As noted, representatives of the two groups have joined to attack ADL as "the new Ku Klux Klan." The NOI's Abdul Alim Muhammad thundered at an audience at Howard University last fall, "... Anti-Semitism is a noose being tightened around the black community by the new Ku Klux Klan. As [LaRouche representative Anton] Chaitkin reminds us it's not the new Ku Klux Klan, it is that which produced the old Ku Klux Klan, that which is more evil than the Ku Klux Klan."

The cult's relationship with the Nation of Islam dates back to the late 1980's when the two held joint forums on AIDS, which were covered in *Executive Intelligence Review*. LaRouche disciples were promoting "experts" who claimed that AIDS was part of a government conspiracy against blacks and was created in a U.S. biological warfare facility. Since then, the racist and anti-Semitic Nation of Islam has picked up and embellished that notion, assiduously propagandizing the black community.

Equal Opportunity Conspiracy Theorists

Perhaps the LaRouche entity's greatest success has been in generating conspiracy theories that have won some serious treatment by the mainstream press and a handful of political figures. Collaborating with Liberty Lobby, the LaRouche security and intelligence staff stoked the fires of conspiracy theorists explicating the supposed "October Surprise," which posited a 1980 plot to get President Reagan elected by delaying the release of American hostages in Teheran. This lurid tale gained such wide acceptance that it took a Congressional investigation, and a large expenditure of taxpayer funds, to put it to rest.

LaRouche operatives have joined Liberty Lobby associates promoting other delirious notions.

Paul Goldstein, the LaRouche security and intelligence honcho, has had a productive relationship with the Liberty Lobby network's Victor Marchetti. Marchetti is a renegade CIA officer and left-leaning critic of the agency, who now edits Liberty Lobby's *New American View*, a virulently anti-Zionist and increasingly anti-Semitic newsletter.

Goldstein and Marchetti worked with a longtime LaRouche consultant, Juval Aviv, to promote a wild conspiracy theory on the 1988 terrorist bombing of Pan Am 103 over Lockerbie, Scotland, in which all 259 passengers and 11 people on the ground were killed. Aviv, a private investigator, was hired by Pan Am's insurers. In his report, known as the INTERFOR report, Aviv asserted that the bombing resulted from a supposed U.S. Drug Enforcement Administration (DEA) "controlled" drug smuggling route, which allowed the terrorists to get the bomb past security at Frankfurt airport. Aviv also posited a CIA role. The insurance company used the report to argue that Pan Am's lax security wasn't at fault.

According to former LaRouche followers, the cult had a role in preparing the so-called INTER-FOR Report, setting up meetings for the author in Europe. Goldstein, Marchetti, and Aviv met to discuss disseminating the report and getting it to Congressman James Traficant, who eventually released portions of it at a Washington, D.C. press conference. (As a result of the Congressman's role, the DEA was forced to spend months investigating itself to ascertain that the allegations were false, costing taxpayers a lot of money.)

Incredibly, this fantasia found its way into court — where Aviv's testimony was discredited — and onto the cover of Time magazine.

In the *demimonde* of the conspiracy-obsessed, LaRouche followers do have an impact, which occasionally creates ripples in the mainstream.

Conclusion

The LaRouche cult has withstood serious blows — imprisonment, high-level defections, loss of income — that would have felled any organization whose members were less absorbed in their mission. Theirs is a secular millenarianism, with LaRouche as Savior.

His followers frantically promote LaRouche as "THE PERSON WITH THE ANSWERS ON [THE WORLD'S] PROBLEMS." They believe "when the crises reach the most critical point," "the elite . . . will know that they have to find LaRouche." Despite their best efforts, however, the group has never achieved influence. The notion of a groundswell of popular support for the cultmeister is preposterous. For most Americans, LaRouche will remain the bombastic eccentric who believes the Queen of England is a drug pusher and Henry Kissinger is a KGB agent, and who went to prison for defrauding little old ladies. For LaRouche, this perception is a life sentence.

The LaRouche organization does pose a continuing threat to elderly persons with savings. Its leadership learned from the miscalculations that landed LaRouche and many fundraisers in prison. The group's new fundraising tactics have wreaked desolation among their targets, leaving a host of bewildered elderly to scrape by without their savings for the remainder of their lives. Many victims haven't the resources to bring civil suits to recover their funds.

Although the group has suffered a sharp drop in income since it was compelled to discontinue its nationwide loan fraud scheme, its funds are apparently sufficient to support new activities in Russia and the Near East. There LaRouche's wife and other associates are cultivating support from some unsavory characters, particularly among the Iraqi regime and the Islamists of the Sudan and Jordan.

Unsavory characters abound at home as well, including new allies in the anti-Semitic and anti-white racist Nation of Islam.

The cult is likely to continue its unblinking search for new allies, and not to be too picky about its new friends' ideological baggage.

The hallmark of the LaRouche organization is resilience. It appears likely to continue its activities, at least while LaRouche — no longer a young man — is alive. What will happen to the cult after its leader is gone, however, is anyone's guess.

Regardless of its resilience, however, the cult seems destined to languish largely on the sidelines of American society, welcomed only by other fringe groups, continuing to raise funds through questionable means, until the cost — whether because of civil suits or criminal prosecution — becomes too high, and ineffectually sniping at critics such as the Anti-Defamation League. While the cult's attacks on ADL are motivated partly by anti-Semitism, they are also motivated by the cult's critical need for "enemies" of the perceived stature of ADL to convince itself of its own importance, to convince itself that its "enemies" see the cult as a threat. With the exceptions noted above, the cult isn't a serious threat to anyone. LaRouche and his followers are legends in their own minds.

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Appendix

LaRouche Companies and Publications in the United States

LaRouche entities are interchangeable, even sharing telephone numbers, addresses and office space in many cases, especially in the field offices. With the possible exception of the for-profit companies, data processing, and real estate partnerships, virtually all LaRouche entities play multiple roles. These may include: seeking influence, sales of literature, fundraising, propaganda, and "organizing," including "counter-punch" actions against perceived enemies.

The corporations of the LaRouche entity do not reflect the real lines of authority in the cult, except insofar as Lyndon H. LaRouche, Jr. and his wife, Helga Zepp LaRouche, are listed as founders and officers of several entities, and trusted lieutenants are usually officers, directors and incorporators.

All members of the cult are members of the National Caucus of Labor Committees (NCLC), which is governed by a National Committee, in turn controlled by a National Executive Committee, with LaRouche as the ultimate power. The leadership of the cult "deploys" members to tasks as needed; it creates and abandons fronts as needed. (See text.)

The cult's real structure is reflected in an internal headquarters phone list seized by enforcement authorities in a 1986 raid of the group's headquarters. Except for two for-profit companies, PMR Printing and WorldComp, and Fusion Energy Foundation (FEF - defunct, see text), none of the fronts is listed. This reinforces the view that within the cult, the divisions seemingly created by the fronts are meaningless. In the 1986 phone list, individuals are listed under the headings: "Accounting and Budget, Archives, Circulation, Input Room, Construction Operations, Communications, Computer Operations, Computer Room, Economics, Editorial, Field Coordinators, Finance, Receptionists, CC [(probably credit card)] Authorizations, FEF, Ibero-America, Ibero Editorial, Intelligence, Legal, Logistics, NEC [National Executive Committee] Offices, Operations, Press, Printer, Sales and PR, NC Phone Sales Team, Security Staff, Security, Ben Franklin Booksellers, Loudon County News, Medical Clinic, PMR, Sweetwater [Sweetwater Farm, a parcel of land], Weisbaden [European headquarters and headquarters of the International Caucus of Labor Committees], World Comp."

Following is a listing of LaRouche companies and publications in the United States.

For-Profit Companies

WorldComp

PMR Printing

These for-profit companies handle typesetting, printing, and composition for the group's publications, and also have non-LaRouche clients, which have included major textbook publishing houses.

Publications and General Management - A management arm for the LaRouche network which has acted as a "money switch," clearing funds received and expenses paid, and handling payroll functions.

Columbus Data Systems - A LaRouche-affiliated company which has provided data processing services for other elements of the LaRouche network.

Policy Entities

The Schiller Institute, Inc. - A "cultural" entity formed in 1984 ostensibly to promote German culture and U.S.-German ties. This front group has been used as a vehicle to promote LaRouche's international influence, especially via activities in Europe. It has also been used to cosponsor programs with the Nation of Islam in the Washington, D.C. area, and as a "For more information, contact ..." number in vexatious leaflets with which the cult has harassed critics.

The Club of Life - Founded in 1982 in Rome, Italy "to stop the genocide being pushed by the Club of Rome." Its activities are "based on the program for global industrial development put forward by Lyndon H. LaRouche, Jr. the world's foremost economist."

The National Democratic Policy Committee - Formed in 1980 to serve as "both a policy association and a ... political action committee." It has sought members and contacts in a wide spectrum of organizations. The name of the committee, which can be read to imply an affiliation with the Democratic Party, has caused confusion.

Food for Peace - A vehicle for recruiting support among American farmers in the late 1980's. One of its main themes was saving the family farm. Food for Peace has also been a vehicle to promote LaRouche's international influence: it was revived after the Gulf War when the group alleged that Iraqi children were starving because of the U.S.-led embargo, and asserted that the U.S. should aid them, as well as the American farmer, by shipping food.

Primary Fundraising Entities

Seven fundraising fronts appear to have replaced Caucus Distributors, Inc. (CDI) in the U.S. after the cult lost control of the company to court-appointed interim bankruptcy trustees in 1987. CDI played a role in the nationwide loan fraud scheme that landed LaRouche and many fundraisers in prison.

The companies — American Systems Publications, Inc., Hamilton Systems Distributors, Inc., John

Marshall Distributors, Inc., Mid-West Circulation Corp., South East Political Literature Sales, Inc., Eastern States Distributors, Inc., and South West Literature Distributors, Inc. — sell LaRouche publications; they are listed in *The New Federalist* as vendors of the tabloid. The sales are part of the fundraising operation.

The saga of a LaRouche fundraising victim frequently begins when the individual purchases a subscription to a LaRouche publication in response to a telephone solicitation, or at a table set up near a U.S. Post Office or in an airport. Solicitors elicit information on the purchaser's views, interests, etc., which the fundraisers keep in the form of "contact cards." Fundraisers in "phone teams" take it from there, with especially lucrative prospects passed on to particularly skilled fundraisers.

Several of the following entities have been named in civil suits or other actions brought by or on behalf of victims of LaRouche's abusive fundraising tactics.

American Systems Publications, Inc. — Los Angeles, San Leandro, Cal., and Seattle, Wash.

Eastern States Distributors, Inc. — Philadelphia, Pittsburgh, and Drexel Hill, Penn.

Hamilton Systems Distributors, Inc. — Ridgefield Park (NJ), Boston, Buffalo.

John Marshall Distributors, Inc.

Mid-West Circulation Corporation — Chicago, Detroit, Minneapolis.

South East Political Literature Sales and Distribution, Inc., a.k.a. South East Literature Sales — Baltimore, Richmond, and Norfolk.

South West Literature Distributors, Inc. — Houston.

Constitutional Defense Fund — A fundraising front apparently created to gather money for LaRouche's legal defense and appeals.

Human Rights Fund

Publications

Executive Intelligence Review (EIR) — A Washington, D.C.-based magazine founded in 1974. Lyndon LaRouche is listed as the founder. EIR is an elaborately produced propaganda publication originally geared towards the interests of business, law enforcement, intelligence and policy makers.

Investigative Leads — Begun in January 1980 as a spinoff of EIR, it was designed to gain *entrée* into the law enforcement and intelligence community and to other security professionals.

Executive Intelligence Review News Service (EIRNS) — A LaRouche "wire service" serving LaRouche publications. EIRNS appears to have taken the place of New Solidarity International Press Service (NSIPS) after U.S. Marshals seized bank accounts and sealed offices of several LaRouche entities pursuant to an ultimately unsuccessful federal involuntary bankruptcy proceeding.

The New Federalist — The LaRouche tabloid. It replaced *New Solidarity* after Campaigner Publications, Inc., which published *New Solidarity*, was placed under the control of interim trustees in an involuntary bankruptcy proceeding brought by the Department of Justice. (See text.)

21st Century Science and Technology — Apparently created to replace *Fusion*, the publication of Fusion Energy Foundation (FEF), after the latter was placed under the control of interim trustees during a federal involuntary bankruptcy proceeding against FEF and two other LaRouche corporations.

Middle East Insider

Other LaRouche Organizations

Publication Equities

Lafayette/Leesburg Limited Partnership

These are partnerships formed to purchase property for the cult's use. Directors include a senior LaRouche aide. The groups appear to be inactive at this time.

Elektra Broadcasting Associates — A Virginia corporation formed in the mid-1980's to purchase a Maryland radio station, since sold. When the corporation was formed, officers included EIR officers. The group appears inactive at this time.

Caucus Distributors Montreal, Canada

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Anti-Defamation League of B'nai B'rith

NATIONAL OFFICE	
823 United Nations Plaza, New York, NY 10017	(212) 490-2525
WASHINGTON OFFICE	
1100 Connecticut Avenue, N.W. (Suite 1020), Washington, D.C. 20036	(202) 452-8320
REGIONAL OFFICES	
ALBUQUERQUE	
215 Central Avenue, N.W., Albuquerque, NM 87102	(505) 843-7177
ARIZONA	
The First Interstate Tower, 3550 North Central Avenue (Suite 914), Phoenix, AZ 85012	(602) 274-0991
ATLANTA (Southeast)	
3384 Peachtree Road, NE (Suite 660), Atlanta, GA 30326	(404) 262-3470
BOSTON (New England)	
1 Lincoln Plaza, (Suite 301), Boston, MA 02111	(617) 330-9696
CHICAGO (Greater Chicago/Wisconsin)	
309 West Washington, (Suite 750), Chicago, IL 60606	(312) 782-5080
CLEVELAND (Northern Ohio)	
505 Terminal Tower, Cleveland, OH 44113	(216) 579-9600
COLUMBUS (Ohio/Indiana/Kentucky)	
42 East Gay St., (Suite 814), Columbus, OH 43215	(614) 621-0601
CONNECTICUT	
419 Whalley Avenue, New Haven, CT 06511	(203) 787-4281
DALLAS (Northwest Texas/Oklahoma)	
12800 Hillcrest Road (Suite 219), Dallas, TX 75230	(214) 960-0342
D.C. (D.C./MARYLAND)	
1100 Connecticut Avenue, N.W. (Suite 1020), Washington, D.C. 20036	(202) 452-8310
DENVER (Mountain States)	
300 South Dahlia Street (Suite 202), Denver, CO 80222	(303) 321-7177
DETROIT (Michigan)	
4000 Town Center (Suite 420), Southfield, MI 48075-1405	(810) 355-3730
HOUSTON (Southwest)	
4635 Southwest Freeway (Suite 400), Houston, TX 77027	(713) 627-3490
LOS ANGELES (Pacific Southwest)	
10495 Santa Monica Boulevard, Los Angeles, CA 90025	(310) 446-8000
MIAMI (Florida)	
150 SE Second Avenue (Suite 800), Miami, FL 33131	(305) 373-6306
MINNEAPOLIS (JCRC-ADL of Minnesota/the Dakotas)	
1111 3rd Avenue South, Minneapolis, MN 55404-1000	(612) 338-7816
NEW JERSEY	
741 Northfield Avenue, West Orange, NJ 07052	(201) 689-9700
NEW ORLEANS (South Central)	
925 Common Street (Suite 975), New Orleans, LA 70112	(504) 522-9534
NEW YORK CITY (New York City, Westchester, Rockland, Putnam and Long Island)	
823 U.N. Plaza, New York, NY 10017	(212) 490-2525
NEW YORK STATE	
125 Wolf Rd. (Suite 504), Albany, NY 12205	(518) 446-0038
OMAHA (Plains States)	
333 South 132 Street, Omaha, NE 68154	(402) 333-1303
ORANGE COUNTY	
2700 North Main Street (Suite 500), Santa Ana, CA 92701	(714) 973-4733
PALM BEACH COUNTY	
The Commerce Center, 324 Datura Street (Suite 223), West Palm Beach, FL 33401	(407) 832-7144
PHILADELPHIA (Eastern Pennsylvania/Delaware)	
230 South Broad Street, 20th Floor, Philadelphia, PA 19102	(215) 735-4267
SAN DIEGO	
7851 Mission Center Court (Suite 320), San Diego, CA 92108	(619) 293-3770
SAN FERNANDO VALLEY	
22622 Vanowen Street, West Hills, CA 91307	(818) 587-3220
SAN FRANCISCO (Central Pacific)	
720 Market Street (Suite 800), San Francisco, CA 94102-2501	(415) 981-3500
SEATTLE (Pacific Northwest)	
Plaza 600 Building (Suite 720), 600 Stewart Street, Seattle, WA 98101	(206) 448-5349
ST. LOUIS (Missouri/Southern Illinois)	
10926 Schuetz Road, St. Louis, MO 63146	(314) 432-6868
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6330 Newtown Rd. (Suite 326), Norfolk, VA 23502	(804) 455-9002
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30 King David Street, Jerusalem, Israel 94101	011-972-2-251-171
CANADA	
Cooperative Association with the League for Human Rights of Canadian B'nai B'rith 15 Hove Street (Suite 210), Downsview, Ontario, Canada, M3H 4Y8	(416) 633-6227

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Anti-Defamation League, 823 United Nations Plaza, New York, NY 10017

(Phila.) Jewish Exponent

AUGUST 6, 1984

LaRouche cult is staging a comeback, ADL warns

NEW YORK — Political cult leader Lyndon LaRouche, a convicted felon, may breathe new life into his cult since being recently paroled, according to a report issued by the Anti-Defamation League.

"Parole: The LaRouche Political Cult Regroups," prepared by ADL's Fact Finding Department of its Civil Rights Division, reveals that, despite setbacks, the cult continues to "broadcast its addled, anti-Semitic conspiracy theories... raise funds by questionable means... and pursue alliances with other extremists..."

LaRouche, the cult's 71-year-old leader, was paroled from federal prison after serving five years of a 15-year sentence for his role in defrauding elderly persons of more than \$30 million.

Although LaRouche directed the cult from federal prison, it was seriously damaged by a loss of income and imprisonments or defections of high-level leaders. "If release should strengthen his confidence more, the report states.

Links to extremists

The LaRouchites maintain relationships with bigots and extremists from the anti-Semitic propaganda machine — Liberty Lobby to the Nation of Islam — with whom they promote anti-Semitic conspiracy theories and blame the world's ugliest problems on Jews."

"ADL cannot afford to ignore the LaRouchites," said Abraham H. Foxman. "This is a small cult with a loud voice. They are masters of manipulation and are attempting to drive a wedge between blacks and Jews by

joining with the Nation of Islam while accusing ADL of being 'The New Ku Klux Klan.'"

The ADL report notes that the cult has launched a new campaign to seek influence in the emerging republics of the former Soviet Union and to cultivate support in some Arab and Muslim states while continuing its attacks on Jews.

The cult recently opened an office in Moscow, according to the ADL, where it has held seminars and conferences featuring lectures by LaRouche. He and his wife, Helga Zepp, have received favorable press coverage in Russia.

The cult also appears to be making overtures to individual Islamists and Islamic regimes, particularly the Sudan, a repressive state known as a launching pad for Islamic terrorists.

Began in the 1960s

Founded in the 1960s as a splinter of the leftist Students for a Democratic Society, the LaRouche cult was called the National Caucus of SDE Labor Committees and later the National Caucus of Labor Committees.

The cult condones questionable fund-raising practices and remains a threat to older Americans, the ADL says. LaRouche fundraisers target seniors with unrelenting high-pressure tactics to break down their resistance.

The cult's greatest successes have been in helping to promote conspiracy theories, some with assistance from associates of the anti-Semitic Liberty Lobby. Several fabrications have received serious treatment by the mainstream press and some political figures.

Anti-Defamation League of B'nai B'rith

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WILLIAM D. COHEN

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Women's Issues and Action Committee
THOMAS SCHWARTZ

Women's Issues
Development Director
ALAN WEINSTEIN

August 24, 1994

[REDACTED] E. Lawrence Street
Mt. Vernon, WA 98275 [REDACTED]

Dear Mr. [REDACTED]:

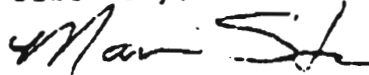
In a full-page advertisement in the August 11 Washington Post, your name was listed as a supporter of a call for the "exoneration" of Lyndon H. LaRouche following his recent parole from federal prison after serving 5 years of a 15-year sentence for securities fraud.

While the ad refers to Mr. LaRouche as a "political prisoner" who was the victim of an unfair prosecution, the fact is that he was convicted of criminal tax fraud, and several of his associates were convicted of criminally defrauding numerous elderly citizens out of their life savings; the evidence was ample, and the trials perfectly fair.

We wondered whether your name might have appeared in this ad without your permission. In any case, we believe you would want to be made aware of the extremist and anti-Semitic nature of the LaRouche organization and the public record of Mr. LaRouche's bizarre, hateful and conspiracy-laden philosophy.

Enclosed is a recent ADL report on the subject, entitled "Paroled: The LaRouche Political Cult Regroups," which I hope you will find of interest. May we hear from you on this matter?

Sincerely,



Marvin Stern
Regional Director

MS:ja
Encl.


FEC Complaint Exhibit D

EXHIBIT I

ORGANIZATIONS LISTED IN GERARD AND BULLOCK COMPUTERS

24043601651

FEC Complaint Exhibit E

308	L.A. DEATH SQUAD	INITIALS: SHARP
309	LAPORTE CHURCH OF CHRIST	INITIALS: IDENT
310	LAROUCHE	INITIALS: LAROC
311	LAROUCHE	INITIALS: LAROU
312	LAROUCHE FOR PRESIDENT	INITIALS: LAROU
313	LAS VEGAS SKINHEADS	INITIALS: SKINS
314	LEGAL (JUSTICE TIMES)	INITIALS: LEGAL
315	LEGION FOR SURVIVAL OF FREEDOM	INITIALS: LL
316	LEGION OF THE NEW ORDER	INITIALS: LNO
317	LIBERTY CORPS	INITIALS: IDENT
318	LIBERTY LOBBY	INITIALS: LL
319	LIBERTY LOBBY FAT CAT	INITIALS: LL
320	LIBERTY NET	INITIALS:
321	LIBERTY TRUST	INITIALS: POP
322	LIGHTBEARERS OF JESUS THE CHURCH	INITIALS: IDENT
323	LIGHTHOUSE HEALING MISSION	INITIALS: IDENT
324	LORDS COVENANT CHURCH	INITIALS: LCC
325	LOS ANGELES SENTINEL	INITIALS: REVIS
326	M.A.C. AND COMPANY	INITIALS: IDENT
327	MALICIOUS OI BOYS	INITIALS: SKINS
328	MALICIOUS OL' BOYS	INITIALS: SKINS
329	MASH	INITIALS: SKINS
330	MCALVANY INTELLIGENCE ADVISOR	INITIALS:
331	MCCALDEN REVISIONIST NEWSLETTER	INITIALS: REVIS
332	MINISTRY OF CHRIST CHURCH	INITIALS: IDENT
333	MINNEAPOLIS BALDIES	INITIALS: SHARP
334	MINNESOTA BALDIES	INITIALS: SHARP
335	MISSION TO ISRAEL	INITIALS: IDENT

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 12, 1994

Kathy A. Magraw, Treasurer
Committee to Reverse the Accelerating Global Economic and
Strategic Crisis: A LaRouche Exploratory Committee
P.O. Box 730
Leesburg, VA 22075

RE: MUR 4054

Dear Ms. Magraw:

This letter acknowledges receipt on September 6, 1994, of your complaint filed on behalf of the Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4054. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

34043601653



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEPTEMBER 12, 1994

**Melvin Salberg, National Chairman
Anti-Defamation League of B'nai B'rith
823 United Nations Plaza
New York, NY 10017**

RE: MUR 4054

Dear Mr. Salberg:

The Federal Election Commission received a complaint which indicates that Anti-Defamation League of B'nai B'rith may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4054. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Anti-Defamation League of B'nai B'rith, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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**Melvin Salberg, National Chairman
Anti-Defamation League of B'nai B'rith
Page 2**

If you have any questions, please contact Alva E. Smith at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

**Mary L. Taksar, Attorney
Central Enforcement Docket**

Enclosures

- 1. Complaint**
- 2. Procedures**
- 3. Designation of Counsel Statement**

24043601655



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

SEPTEMBER 12, 1994

Mira Boland, Washington, D.C. Fact Finding Director
Anti-Defamation League of B'nai B'rith
1100 Connecticut Avenue, N.W.
Suite 1020
Washington, D.C. 20036

RE: MUR 4054

Dear Ms. Boland:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4054. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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Mira Boland, Washington, D.C. Fact Finding Director
Anti-Defamation League of B'nai B'rith
Page 2

If you have any questions, please contact Alva E. Smith at
(202) 219-3400. For your information, we have enclosed a brief
description of the Commission's procedures for handling
complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

24043601657

OCT 4 3 54 PM '94

Writer's Direct Dial Number

Tel: 202/857-6345
202/857-6415
Fax: 202/857-6395

October 4, 1994

VIA MESSENGER

Enforcement Division
Office of the General Counsel
Federal Election Commission
Room 657
999 E Street, N.W.
Washington, D.C. 20463

Attn: Mary L. Taksar, Esq.

Re: MUR 4054 -- Anti-Defamation League and Mira Boland
Designation of Counsel

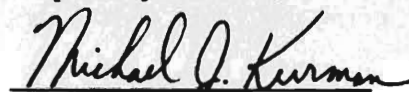
Dear Ms. Taksar:

I attach the "Statement of Designation of Counsel" for both the Anti-Defamation League of B'nai B'rith ("ADL") and ADL's Washington, D.C. Fact Finding Director Mira Boland with regard to MUR 4054. Both ADL and Boland will be represented by this firm.

Please note that your letter to ADL was addressed to Melvin Salberg, whose term as National Chairman has expired. Accordingly, ADL's Statement has been executed by Jill Kahn Meltzer, Esq., ADL's Associate Director of Legal Affairs, who is authorized to execute said Statement on behalf of ADL.

If you have any questions, please feel free to contact the undersigned.

Respectfully submitted,


Michael J. Korman
Barbara S. Wahl

ARENT FOX KINTNER PLOTKIN &
KAHN
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339
Telephone: (202) 857-6345
(202) 857-6415

Counsel for Respondents ADL and Boland

Attachments

Arent Fox Kintner Plotkin & Kahn • Washington, DC
New York, NY • Vienna, VA • Bethesda, MD • Budapest, Hungary • Jeddah, Kingdom of Saudi Arabia

24043601658

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4054 Michael Kurman
NAME OF COUNSEL: Barbara S. Wahl
ADDRESS: Arent Fox Kintner Plotkin & Kahn
1050 Conn. Ave. NW
Washington, DC 20036-5339
TELEPHONE: 202 857-6002

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

10/3/94
Date

Jill Kahn Meltyer
Signature

RESPONDENT'S NAME: Anti-Defamation League
ADDRESS: 823 United Nations Plaza
New York, NY 10017

HOME PHONE: _____

BUSINESS PHONE: (212) 490-2525

94043601659

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4054
NAME OF COUNSEL: Michael J. Kurman
Barbara S. Wahl
ADDRESS: Arent Fox Kintner Plotkin & Kahn
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339
TELEPHONE: 202-857-6000

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

October 3, 1994
Date

Mira L. Boland
Signature

RESPONDENT'S NAME: Mira L. Boland
ADDRESS: Anti-Defamation League, Suite 1020
1100 Connecticut Ave., N.W.
Washington, D.C. 20036
HOME PHONE: 202-714-7533 (Enhanced Voice Mail)
BUSINESS PHONE: 202-452-8310

24043601660

Writer's Direct Dial Number

Tel: 202/857-6345
202/857-6415
Fax: 202/857-6395

October 7, 1994

VIA MESSENGER

Enforcement Division
Office of the General Counsel
Federal Election Commission
Room 657
999 E Street, N.W.
Washington, D.C. 20463

Attn: Mary L. Taksar, Esq.

Re: MUR 4054 -- Anti-Defamation League and Mira Boland
Response to Complaint

Dear Ms. Taksar:

On behalf of the Anti-Defamation League of B'nai B'rith and its Washington, D.C. Fact Finding Director Mira Boland (hereinafter "ADL"), we hereby respond to the Complaint filed with the Federal Election Commission ("Commission") by the Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee ("Exploratory Committee"). This response is submitted pursuant to 11 C.F.R. § 111.6, and in accordance with the Commission's letters (dated September 12, 1994) to ADL and to Boland.^{1/}

INTRODUCTION

As demonstrated herein, "no action should be taken on the basis of [the] complaint" (11 C.F.R. § 111.6) against ADL. The Exploratory Committee's Complaint offers only vague allegations that two ADL reports (and a sample ADL cover letter transmitting one of those reports) "constitute participation . . . in actions opposing a federal candidate seeking election" (Complaint at 2). Whether by inadvertence or design, the Complaint contains no reference whatsoever to the now well-established "express advocacy" standard (governing whether such communications, normally protected under the First Amendment, would otherwise be subject to the restrictions imposed by the Federal Election Campaign Act of

^{1/} This joint response, for respondent ADL (in New York) and respondent Boland (in Washington), is filed fifteen days following Boland's receipt -- on September 22 -- of the Commission's letter.

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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1971, as amended ("FECA")), much less any attempt to measure the subject ADL communications against that standard -- either as it has been established and construed in a well-known line of federal court decisions now followed by the Commission, or in a new definition of "expressly advocating" that the Commission approved on August 11, 1994.

In fact, examination of the subject ADL communications reveals not even a hint of the express advocacy required under the FECA (thereby exposing the Exploratory Committee's filing as little more than a vexatious complaint). As a result, ADL expenditures for such communications fall outside of the purview of the FECA; ADL has no obligation, as alleged in the Complaint, to register and report as a political committee.

Accordingly, ADL urges that the Commission find that there is no reason to believe that a violation has been committed.

BACKGROUND

ADL is a non-profit organization which, like many such groups, is incorporated. ADL was founded in 1913 to combat anti-Semitism and racial and religious bigotry of every kind, and to promote and protect civil rights and liberties. For more than 80 years, ADL has continued vigorously to pursue those goals. Today ADL is recognized as one of the nation's leading organizations in the fight against racial and religious prejudice.

A crucial part of ADL's program in fighting discrimination and prejudice consists of publishing and disseminating educational materials and sponsoring programs designed to make the public aware of the ideas, plans and activities of anti-Semitic, racist and extremist individuals and groups. ADL believes, and its experience has shown, that exposing the ideology and actions of these groups and their leaders generates public aversion to their philosophies, diminishes their ability to influence policy and hampers their efforts to recruit members and raise money, particularly from innocent persons unaware of their real agenda.

Toward that end, ADL undertakes careful and extensive research about past and current activities of these groups. Information about these groups is disseminated in a wide variety of ways -- through materials designed for the press; workshops and conferences sponsored by ADL; speeches and media appearances by ADL leaders and staff; newsletters and other communications distributed to ADL supporters and other interested individuals and groups; and reports distributed to the press, academics, political and community leaders, law enforcement officials, and the broader public.

ADL recognizes and respects the free speech rights of all individuals, including those who espouse anti-Semitism and racism. At the same time, ADL exercises -- through the type of communications which are the subject of the Complaint -- its own First Amendment right to publish information exposing the hatred and bigotry of extremists.

THE "EXPRESS ADVOCACY" STANDARD

The Commission has devoted considerable attention and resources to the "express advocacy" standard since the Supreme Court's decision in Federal Election Commission v. Massachusetts Citizens for Life, 479 U.S. 238 (1986) ("MCFL"). As the Commission is aware, ADL itself has participated extensively in that debate through, among other means, its: (i)

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written comments and oral testimony in the Commission's pending rulemaking regarding that issue, (ii) preparation, along with other amici curiae, of a brief filed in 1991 with the U.S. Court of Appeals for the District of Columbia Circuit in connection with the Commission's appeal (Docket No. 89-5230) of the decision in Federal Election Commission v. National Organization for Women, 713 F. Supp. 428 (D.D.C. 1989) ("FEC v. NOW"), and (iii) filings in MUR 2163, involving a previous complaint (filed in 1986) against ADL by the treasurer of a prior LaRouche campaign committee, which the Commission resolved on January 9, 1991, by deciding (by a vote of 6 - 0) to take no further action.

To summarize, the Supreme Court in MCFL ruled, inter alia, that the FECA's prohibition against corporate expenditures on communications was limited to communications containing express advocacy.^{2/} Following the Court's denial of certiorari in Faucher v. Federal Election Commission, 928 F.2d 468 (1st Cir.), cert. denied, 60 U.S.L.W. 3258 (U.S. 1991), the Commission, which had previously regarded the Court's express advocacy statement in MCFL as dicta, withdrew its appeal in FEC v. NOW and apparently adopted the express advocacy standard as it pertained to corporate expenditures.

On the other hand, defining what communications constitute express advocacy for purposes of the FECA is an issue not yet entirely resolved. In Buckley v. Valeo, 424 U.S. 1 (1976) ("Buckley"), the Court provided examples of specific words and phrases that would be considered express advocacy.^{3/} Thereafter, in Federal Election Commission v. Furgatch, 807 F.2d 857 (9th Cir.), cert. denied, 484 U.S. 850 (1987) ("Furgatch"), the court held that "speech need not include any of the words listed in Buckley to be express advocacy under the [FECA], but it must, when read as a whole, and with limited reference to external events, be susceptible of no other reasonable interpretation but as an exhortation to vote for or against a specific candidate" (807 F.2d at 864).^{4/} Citing Buckley, the court explained that the Supreme Court had been "particularly insistent that a clear distinction be made

^{2/} "We therefore hold that an expenditure must constitute 'express advocacy' in order to be subject to the prohibition of § 441b" (MCFL, 479 U.S. at 249).

^{3/} These words and phrases included "'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for Congress,' 'vote against,' 'defeat,' and 'reject'" (424 U.S. at 444 n.52).

^{4/} The court elaborated:

This standard can be broken into three main components. First, even if it is not presented in the clearest, most explicit language, speech is "express" for present purposes if its message is unmistakable and unambiguous, suggestive of only one plausible meaning. Second, speech may only be termed "advocacy" if it presents a clear plea for action, and thus speech that is merely informative is not covered by the Act. Finally, it must be clear what action is advocated. Speech cannot be "express advocacy of the election or defeat of a clearly identified candidate" when reasonable minds could differ as to whether it encourages a vote for or against a candidate or encourages the reader to take some other kind of action.

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between 'issue discussion,' which strongly implicates the First Amendment, and the candidate-oriented speech that is the focus of the [FECA]" (807 F.2d at 860).⁵⁷

In FEC v. NOW, the district court applied the Furgatch test and held that three NOW mass mailings to solicit new members did not constitute express advocacy, even though the letters named specific Senators (some of whom were candidates for reelection) opposing abortion and the equal rights amendments and included such language as "begin right now to take the steps necessary to defend our right to abortion in the new Congress . . . in the states . . . and at the ballot box" (emphasis added) (713 F. Supp. at 432). The court concluded, first, that "the central message of all three letters was to expand the organization" (Id. at 434), an activity that was distinct from electioneering. Second, the letters "call for action, but they fail to expressly tell the reader to go to the polls and vote against particular candidates in the 1984 election" (Id. at 435). They "do not provide explicit directives to vote against these politicians" (Id.). Rather, the court found, there were "numerous pleas for action," and the "types of action are varied and not entirely clear" (Id.). Since "the letters do not go beyond issue discussion to express electoral advocacy, the use of corporate funds to finance them does not violate [the FECA]" (Id.).

Notably, in two more recent cases -- Federal Election Commission v. Colorado Republican Federal Campaign Committee, No. 89 N 1159 (D. Col. Aug. 30, 1993), reprinted in 2 Fed. Election Camp. Fin. Guide (CCH) ¶ 9340, appeal docketed No. 93-1433 (10th Cir. 1993), and Federal Election Commission v. Survival Education Fund, Inc., No. 89 Civ. 0347 (S.D.N.Y. Jan. 12, 1994), reprinted in 2 Fed. Election Camp. Fin. Guide (CCH) ¶ 9343, appeal docketed No. 94-6080 (2d Cir. 1994) -- two district courts relied in large part on the Buckley analysis (rather than the Furgatch analysis) in holding that certain communications regarding federal candidates did not constitute express advocacy.

Most recently, the Commission on August 11, 1994, resolved one aspect of its long-pending MCFL-related rulemaking when it adopted an Office of General Counsel recommendation for a new definition for the term "expressly advocating" (to be codified at 11 C.F.R. § 100.22).⁵⁸ See Attachment A. The new definition would include as express advocacy a communication that uses the types of specific words and phrases that were set forth in Buckley (see subsection (a)), as well as a communication that --

(b) When taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy of the election or defeat of one or more clearly identified candidate(s) because --

(1) The electoral portion of the communication is unmistakable, unambiguous, and suggestive of only one meaning; and

⁵⁷ In Furgatch, the court found that two advertisements (appearing one week and three days, respectively, before the 1980 general election) which severely criticized President Carter and, referring to the "electoral process," "voting public," and "low-level campaigning," urged "Don't let him do it," constituted express advocacy.

⁵⁸ ADL understands that the newly-adopted definition will not be severed from the remainder of the rulemaking and, therefore, will not be promulgated until some time in the future.

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- (2) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidate(s) or encourages some other kind of action.

THE SUBJECT ADL COMMUNICATIONS

The Complaint is directed at three ADL communications: (1) an 11-page "Special Report" titled "Partners in Bigotry: The LaRouche Cult and the Nation of Islam," released in May, 1994 (Exhibit A to the Complaint); (2) a 34-page report titled "Paroled: The LaRouche Political Cult Regroups," released in July, 1994 (Exhibit B to the Complaint) (hereinafter "The Paroled Report"), and (3) a copy of a letter sent in August, 1994, by an ADL Regional Office (Exhibit D to the Complaint) enclosing The Paroled Report.^{7/}

Close examination of the three subject ADL communications leads to the following inescapable conclusion: there is simply no element of the express advocacy that would transform these communications from protected free speech into regulated communications within the purview of the FECA.

There is no mention whatsoever of federal elections -- or any elections, for that matter. There is no mention whatsoever of ballots or voting, of victory at the polls or defeat at the polls. There is no mention whatsoever of any candidacy -- past or present -- of LaRouche or any of his followers. There is no mention whatsoever of the 1996 Presidential election, or the 1988 Presidential election, or any other elections in which LaRouche has been a candidate. There is no mention whatsoever of the current Exploratory Committee, or the LaRouche Democratic Campaign (LaRouche's 1988 principal campaign committee), or any other campaign committee of LaRouche.

Plain and simple, these communications, when measured against the express advocacy standard as construed in Buckley, Furgatch, FEC v. NOW or any of the other cited cases, as well as the Commission's newly-adopted definition of "expressly advocating," do not even present a "close call" as to whether they constitute express advocacy. Spurred by the January, 1994, parole of Lyndon LaRouche from Federal prison, the ADL communications are factual and informational reports about the activities of the far-reaching and diverse LaRouche organization, without any reference whatsoever to the electoral process.^{8/} ADL

^{7/} The Complaint also includes (as Exhibit C) a newspaper article that reports on the release of The Paroled Report by ADL.

^{8/} Indeed, the third ADL communication raised in the Complaint consisted of a sample cover letter (Exhibit D to the Complaint), enclosing The Paroled Report, that was sent (in an undetermined number by various ADL regional offices) to some of the individuals whose names appeared in a full-page advertisement -- published in the Washington Post on August 11, 1994 -- which urged the President, Attorney General and appropriate Congressional committees to "exonerate" LaRouche in connection with the criminal charges on which he was found guilty and served time. See Attachment B. However, that advertisement: (a) contained no mention whatsoever of the Exploratory Committee or the LaRouche candidacy, and (b) was not paid for by the Exploratory Committee, but instead by the Schiller Institute, Inc., another of the many entities of the LaRouche organization.

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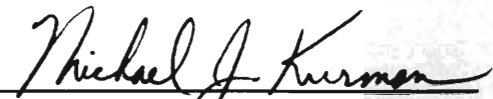
has not engaged in, nor, for that matter, has it attempted to test the limits of, express advocacy.

Rather, ADL, which is especially well-informed about the evolution of the express advocacy standard (as noted at pages 2 - 3, above), carefully prepared each of the subject communications in a manner which would raise no issues that might implicate the FECA, but at the same time would fulfill its mandate to inform and educate, pursuant to First Amendment protections, about the activities of groups such as the LaRouche organization.

CONCLUSION

For the reasons stated herein, ADL's communications do not constitute express advocacy, and ADL is therefore under no obligation to register and report as a political committee. Accordingly, ADL requests that the Commission find that there is no reason to believe that a violation has been committed, and close the file in this matter.

Respectfully submitted,


Michael J. Kurman
Barbara S. Wahl

**ARENT FOX KINTNER PLOTKIN &
KAHN**

1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339
Telephone: (202) 857-6345
(202) 857-6415

Counsel for Respondents ADL and Boland

Attachments

2 4 0 4 3 6 0 1 6 6 6



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

Aug 10 4 23 PM '94

August 10, 1994

MEMORANDUM

TO: The Commission

THROUGH: John C. Surina
Staff Director

FROM: Lawrence M. Noble
General Counsel

N. Bradley Litchfield
Associate General Counsel

Susan E. Propper
Assistant General Counsel

Rosemary C. Smith
Senior Attorney

SUBJECT: Revised Definition of Express Advocacy

Based on the Commission's recent discussions of express advocacy, the Office of the General Counsel proposes the following approach:

1. Moving the definition from 11 C.F.R. § 109.1(b)(2) to new 11 C.F.R. § 100.22;
2. Continuing to keep separate definitions for the terms "expressly advocating" and "clearly identified";
3. Eliminating bright line time frames, such as 90 days, from the definition of express advocacy; and
4. Fashioning a definition of express advocacy that takes into account three distinct situations: 1) communications containing the specific words and phrases listed in Buckley v. Valeo, 424 U.S. 1 (1976); 2) communications that include no discussion of public issues; and 3) communications containing discussions of both public issues and electoral advocacy.

Accordingly, the following revised definition of "expressly advocating" has been drafted and the Office of the General Counsel recommends its adoption. We note that if the material in brackets regarding communications made by candidates' authorized committees is included in the definition, the definition of express advocacy should be put out for another round of notice and comment.

**SUBMITTED LATE
AGENDA ITEM**

For Meeting of: **AUG 11 1994**

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§ 100.22 Expressly advocating (2 U.S.C. 431(17)).

Expressly advocating means any communication that--

(a) Uses phrases such as "vote for the President," "re-elect your Congressman," "support the Democratic nominee," "cast your ballot for the Republican challenger for U.S. Senate in Georgia," "Smith for Congress," "Bill McKay in '94," "vote Pro-Life" or "vote Pro-Choice" accompanied by a listing of clearly identified candidates described as Pro-Life or Pro-Choice, "vote against Old Hickory," "defeat" accompanied by a picture of one or more candidate(s), "reject the incumbent," or communications of campaign slogans or individual words, which in context can have no other reasonable meaning than to urge the election or defeat of one or more clearly identified candidate(s), such as posters, bumper stickers, advertisements, etc. which say "Nixon's the One," "Carter '76," "Reagan/Bush" or "Mondale!"; or

(b) When taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy of the election or defeat of one or more clearly identified candidate(s) because--

- (1) The electoral portion of the communication is unmistakable, unambiguous, and suggestive of only one meaning; and
- (2) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidate(s) or encourages some other kind of action; or

[(c) Mentions the candidate and which is paid for by a candidate's authorized committee.]

24943601668

II. MCFL RULEMAKING: SUMMARY OF COMMENTS AND
DRAFT FINAL RULES

Agenda Documents #94-11, #94-11-A, Revised
#94-11-B, #94-11-C, Revised #94-11-D, and
#94-11-E

Continued from meeting of August 4, 1994.

Revised Agenda Document #94-11-F

Chairman Potter recognized Vice Chairman
McDonald, who

MOVED to suspend the rules on
the timely submission of agenda
documents in order to consider
Revised Agenda Document #94-11-F.

The motion carried unanimously. (6-0)

Chairman Potter recognized Ms. Rosemary
Smith of the General Counsel's Office who presented
Revised Agenda Document #94-11-F.

24043601669

II. MCFL RULEMAKING: SUMMARY OF COMMENTS AND
DRAFT FINAL RULES (continued)

Chairman Potter recognized Commissioner
McGarry, who

MOVED to approve the revised
definition of express advocacy,
as submitted in Revised Agenda
Document #94-11-F, except revise
Page 2 as follows:

a. Line 11 should read:

"...campaign slogan(s) or
individual word(s), which
in context can have no..."

b. Do not include section (c).

Discussion was held.

24043601670

II. MCFL RULEMAKING: SUMMARY OF COMMENTS AND
DRAFT FINAL RULES (continued)

Chairman Potter recognized Commissioner
Aikens, who

MOVED IN A SUBSTITUTE MOTION to
approve the revised definition
of express advocacy, as submitted
in Revised Agenda Document
#94-11-F, except replace the word
"encourages" with the word
"advocate" where it appears twice
on Page 2 at section (b)(2), and
do not include section (c).

The substitute motion failed to pass by a
vote of 3-3 with Commissioners Aikens, Elliott, and
Potter voting affirmatively, and Commissioners McDonald,
McGarry, and Thomas dissenting.

The original motion passed by a vote of 4-2
with Commissioners McDonald, McGarry, Potter, and
Thomas voting affirmatively, and Commissioners Aikens and
Elliott dissenting.

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1. **Admission**—**Free**.
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Nov 17 9 33 AM '94

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR 3848

DATE COMPLAINT FILED: December 28, 1993

DATE OF NOTIFICATION: January 6, 1994

DATE ACTIVATED: July 7, 1994

STAFF MEMBER: Andrea Low

COMPLAINANT: Ted J. Andromidas

**RESPONDENTS: Anti-Defamation League of B'nai B'rith
Milken Family Foundation
Los Angeles County Office of Education
Los Angeles Unified School District**

MUR 4054

DATE COMPLAINT FILED: September 6, 1994

DATE OF NOTIFICATION: September 12, 1994

DATE ACTIVATED: September 27, 1994

STAFF MEMBER: Andrea Low

COMPLAINANT: Kathy A. Magraw

**RESPONDENTS: Anti-Defamation League of B'nai B'rith
Mira Boland**

**RELEVANT STATUTES: 2 U.S.C. § 431(4)(A)
2 U.S.C. § 431(9)(A)(i)
2 U.S.C. § 431(17)
2 U.S.C. § 431(18)
2 U.S.C. § 433
2 U.S.C. § 434
2 U.S.C. § 434(b)(6)(B)(iii)
2 U.S.C. § 434(c)(1)
2 U.S.C. § 434(c)(2)
2 U.S.C. § 441b(a)
11 C.F.R. § 109.1(b)(2)**

**INTERNAL REPORTS CHECKED: Disclosure Reports
MUR index
AO index
Dun & Bradstreet corporate reports**

FEDERAL AGENCIES CHECKED: None

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I. GENERATION OF MATTER

2 4 0 4 3 6 0 1 6 7 4

Ted J. Andromidas, Democratic candidate for U.S. Senate in California in the June 1994 primary election,¹ filed the complaint in MUR 3848 alleging that Respondents made "prohibited contributions and/or expenditures . . . in the form of published materials." The allegations stem from Respondents' funding, publication, and dissemination nationwide of printed materials criticizing Lyndon H. LaRouche, Jr., and his political associates. Responses to the complaint have been received by the Los Angeles County Office of Education ("Office of Education") and the Los Angeles Unified School District ("LAUSD"), which joined with the Office of Education's response in all of its particulars. See Attachments 1-2. No responses have been received from Respondents Anti-Defamation League of B'nai B'rith ("ADL") and Milken Family Foundation ("Milken").

In MUR 4054, Kathy A. Magraw, Treasurer of the Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee, filed a complaint against ADL and its Washington, D.C. fact-finding director, Mira Boland, "for failure to register and report as a political committee as provided for in 2 U.S.C. § 433 et seq." Complainant alleges that two ADL publications, Partners in Bigotry: The LaRouche Cult and the Nation of Islam and Paroled: The LaRouche Political Cult Regroups, are "directed at defeating a candidate for federal

1. Andromidas lost the June 1994 primary election with 14% of the vote.

office."² A joint response was received from Respondents ADL and Boland.

II. FACTUAL AND LEGAL ANALYSIS

A. STATEMENT OF THE LAW

Under the Federal Election Campaign Act of 1971, as amended, (the "Act"), it is unlawful for any corporation to make a contribution or expenditure in connection with any election. 2 U.S.C. § 441b(a).

Any committee, club, association, or other group of persons which makes expenditures aggregating in excess of \$1,000 during a calendar year is a "political committee." 2 U.S.C. § 431(4)(A). Pursuant to 2 U.S.C. § 433, a political committee must file a statement of organization within ten (10) days after becoming a political committee within the meaning of Section 431(4)(A). The treasurer of each political committee must file disclosure reports in accordance with Section 434 of the Act.

An expenditure includes any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office. 2 U.S.C. § 431(9)(A)(i). The Act defines the term "independent expenditure" as an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or

2. The complaint also includes, as Exhibit D, a copy of a letter sent on August 24, 1994 to supporters of LaRouche enclosing the Paroled report. The text of this cover letter is thus analyzed as part of the Paroled report.

agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate. 2 U.S.C. § 431(17).

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The term "clearly identified" means that the name of the candidate involved appears, a photograph or drawing of the candidate appears, or the identity of the candidate is apparent by unambiguous reference. 2 U.S.C. § 431(18). "Expressly advocating" means any communication containing a message advocating election or defeat, including but not limited to the name of the candidate, or expressions such as "vote for," "elect," "support," "cast your ballot for," and "Smith for Congress," or "vote against," "defeat," or "reject." 11 C.F.R. § 109.1(b)(2). Various court decisions, however, have made clear that such specific words are not required for express advocacy. See Federal Election Comm'n v. Massachusetts Citizens for Life, 479 U.S. 238, 249 (1986); Federal Election Comm'n v. Furgatch, 807 F.2d 857, 862-64 (9th Cir.), cert. denied, 484 U.S. 850 (1987). The U.S. Supreme Court has determined that when a communication urges voters to vote for candidates who hold a certain position and identifies specific candidates who hold that position, such a message "is marginally less direct than 'Vote for Smith'" but "goes beyond issue discussion to express electoral advocacy." Massachusetts Citizens for Life, 479 U.S. at 248.³

3. In Furgatch, the court noted that limiting a finding of express advocacy to the "magic words" or "their nearly perfect synonyms" would "preserve the First Amendment right of unfettered expression only at the expense of eviscerating" the Act. Furgatch, 807 F.2d at 863. Speech is express advocacy under the Act "when read as a whole, and with limited reference to external

B. SUMMARY OF COMPLAINTS

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In NUR 3848, Complainant Andromidas alleges that the violations of the Act by ADL, Milken, the Office of Education, and LAUSD "directly impact [his] ongoing campaign for the 1994 Democratic nomination for U.S. Senate in California, ongoing federal electoral campaigns of many other public political associates of candidate LaRouche, and the past federal electoral campaigns of [himself] and many other public political associates of LaRouche." He then states that "[t]he specific violations of the Act by the ADL and other respondents which are the basis of this complaint are the ADL's publication and wide-scale public dissemination nationwide, in concert with and/or financed by the other respondents, of specific printed materials opposing candidate LaRouche and others who have campaigned, or are campaigning, as public political associates of LaRouche." Although Complainant Andromidas does not allege violations of any particular sections of the Act, he states that "[t]he violations of the Act are the making of prohibited contributions and/or expenditures by the ADL and the other named parties" and that "to his knowledge," none of these Respondents are registered as "political committees."

Complainant Andromidas includes photocopies of sections of

(Footnote 3 continued from previous page)
events," it is "susceptible of no other reasonable interpretation but as an exhortation to vote for or against a specific candidate." Id. at 864. Under the Furgatch test, speech is express "if its message is unmistakable and unambiguous, suggestive of only one plausible meaning," and constitutes advocacy only if "it presents a clear plea for action," and it is clear what that action is. Id.

ADL's teaching materials from its "A World of Difference" program.⁴ One lesson in the curriculum, titled "Hate Groups in America," describes the National Caucus of Labor Committees ("NCLC") as an "extremist group" headed by Lyndon H. LaRouche, Jr. NCLC is listed as one of four "propaganda organizations," each of whose purported activities are described. The text states in part that "[m]any LaRouche followers have run for office at the local, state and federal levels" and that "LaRouche himself has run for President in 1976, 1980, 1984 and 1988." Complainant Andromidas suggests that the "cited ADL materials refer to the political viewpoints of LaRouche and 'LaRouche followers' as 'extremist' in order to damage the federal electoral campaigns of LaRouche and his political associates."

In MUR 4054, Complainant Magraw states that "[i]n response to the LaRouche committee's registering with the FEC in August of 1993, the ADL initiated a new round of illegal activities directed at opposing Mr. LaRouche's candidacy" and that ADL is "expending monies and manpower directed at defeating a candidate for federal office." Magraw alleges that ADL is operating an unregistered political committee. The particular ADL initiatives to which Complainant Magraw points are the publication and dissemination of two reports, Partners in Bigotry: The LaRouche Cult and the Nation of Islam and Paroled: The LaRouche Political Cult Regroups. These publications are alleged to have been distributed in the

4. KCBS-TV and the Southern California Human Relations Coalition are listed as "A World of Difference" sponsors along with ADL and Milken, but Complainant Andromidas does not name them as Respondents in MUR 3848.

spring of 1994 and July-August 1994, respectively, after Mr. LaRouche filed a statement of candidacy with the Commission on August 9, 1993. Complainant Magraw claims that the ADL is "actively distributing" the Paroled report and that "[t]he wide dissemination of this derogatory report is clearly intended to negatively impact Mr. LaRouche's candidacy."

In MUR 4054, the Complainant cites MUR 2163, an earlier matter involving the ADL, in which the Commission found that there was probable cause to believe that ADL violated U.S.C. § 441b(a). According to Complainant Magraw, ADL's latest activities are "the same kind of vilification campaign" that was conducted against Mr. LaRouche's 1988 presidential bid and which was the subject of MUR 2163. Moreover, the Complainant in MUR 4054 states that the FEC's decision to take no further action in MUR 2163, "clearly provided the 'green light' for the ADL to continue its unlawful activity without impunity."

C. ANALYSIS

It appears that the Complainant in 3848 is alleging that the production and dissemination of the "A World of Difference" teaching materials are an independent expenditure⁵ by Respondents expressly advocating the defeat of federal candidates LaRouche, Andromidas, and their other associates. If so, because

5. There is no allegation that the expenditure is made in coordination with another candidate.

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Respondents ADL and Milken are corporations,⁶ they would have violated Section 441b(a). In both MURs 3848 and 4054, the complaints suggest that ADL is an unregistered political committee. We will analyze each of these allegations in turn.

a. Prohibited Corporate Expenditures

As there is no evidence of coordination with any candidate or committee, Section 441b(a) would prohibit ADL and the other Respondents from making these distributions only if they expressly advocate the election or defeat of a clearly identified candidate. In MUR 3848, Complainant Andromidas states that LaRouche "has been a candidate for President in the past and . . . has recently set up an exploratory committee for his 1996 Democratic Presidential primary campaign."⁷ However, no reference is made to Mr. LaRouche's 1996 presidential candidacy or the 1996 presidential election in the ADL "A World of Difference" materials. The text which Complainants claim violates the Act consists of three sentences on the 95th page of these teaching materials, which states: "Many LaRouche followers have run for office at the local, state and federal levels. LaRouche himself has run for President

6. Anti-Defamation League of B'nai B'rith was incorporated in New York on April 19, 1971. Milken Family Foundation was incorporated in California on October 22, 1986. Massachusetts Citizens for Life excepts a class of non-profit corporations from the prohibition of Section 441b(a). Federal Election Comm'n v. Massachusetts Citizens for Life, 479 U.S. 238 (1986) ("MCFL"). In MUR 2163, this Office concluded that ADL was not the type of non-profit corporation excepted from Section 441b(a) under MCFL. It is unclear whether that conclusion is still accurate today.

7. As noted, Mr. LaRouche filed a Statement of Candidacy with the Commission on August 9, 1993.

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in 1976, 1980, 1984 and 1988. However, he has garnered only a minute percentage of the votes cast."

The above-quoted text states historically that LaRouche "has run" for President in the past. There is no direct or indirect mention of any election for federal office in which LaRouche might now be a candidate or was a candidate at the time the teaching materials were published. Nor does ADL suggest that he is likely to be a candidate in the future.

Complainant Andromidas also alleges that the expenditures advocate the defeat of public political associates of LaRouche, whom he names in Attachments F and G to the complaint. The text of the "A World of Difference" teaching materials, however, merely states that many LaRouche followers have run for office at the local, state and federal levels. None of these individuals is even named, let alone identified as candidates, and there is no mention of any specific elections or offices that they might be seeking. The statement that "many LaRouche followers" have run for office is not an unambiguous reference to Mr. Andromidas or any of the federal candidates he has listed by name in his attachments. Again, there is no mention of any candidates in any upcoming election, or any information from which a reader could infer that there were federal elections pending.

Despite Complainant Andromidas's assertions, the statements about Mr. LaRouche and his followers appear to be purely informational and historical. The text, while it may be negative, does not state that Mr. LaRouche or his political associates should be defeated in any particular federal election. Rather,

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the text is a description of a number of ways in which various groups which ADL/Milken views as "propaganda organizations" operate, i.e., LaRouche's newspaper and magazine. It is in that context that the prior political races of Mr. LaRouche and his followers are broadly noted.

Here criticism of a political figure, which is susceptible of multiple meanings, does not constitute express advocacy. In this case, the text of the teaching materials could be reasonably interpreted as criticism of the political practices and views of LaRouche organizations, not an exhortation to vote against specific candidates. Another susceptible interpretation of the language is simply an identification and description of LaRouche organizations in the context of other groups the ADL characterizes as "propaganda organizations." This is a discussion of ideology, more akin to issue advocacy that is distinguished from express advocacy of federal candidates and protected under the First Amendment by judicial precedent.

In their response in MUR 4054, ADL and Boland argue that the Act's prohibition against corporate expenditures on communications is limited to communications containing express advocacy. They claim that there is no mention whatsoever in either publication at issue, or ADL's transmittal letter with the Paroled report, of federal elections, ballots or voting, victory or defeat at the polls, past or present candidacies of LaRouche, or any campaign committee of LaRouche. They conclude that "ADL's communications do not constitute express advocacy, and ADL is therefore under no obligation to register and report as a political committee." See

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Attachment 2 at 6.

The reports referenced in MUR 4054 do not attack LaRouche candidates; indeed, they do not even mention one candidacy or election. Mr. LaRouche himself is depicted as a "cult leader," not as a candidate currently or previously standing for election, or even as a member of a political party. The reports list the political positions of the LaRouche organizations and the organizations' historical relationships to political figures such as "Reagan Administration officials" and Congressman James Traficant, but do not state or imply that Mr. LaRouche is currently seeking election to federal office or was at the time of publication.

The Paroled report also lists and describes the National Democratic Policy Committee, as a LaRouche "policy entity," and "'both a policy association and a . . . political action committee.'" However, this report does not describe any of the activities of the PAC or state how it may seek to influence federal elections.

The reports at issue in these two matters are thoroughly distinguishable from the communications addressed by the Commission in MUR 2163, a prior matter which also involved ADL. In MUR 2163, the Commission found that there was probable cause to believe that ADL violated Section 441b(a) when it published a report entitled The LaRouche Political Cult: Packaging Extremism. Two segments of that fifty-four page report were specifically related to federal elections. One discussed the 1986 primary victories of persons associated with Lyndon LaRouche who were

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candidates for the general election at the time the ADL report was circulated, and discussed specific pending elections. That ADL report specifically identified seven persons who were candidates in the upcoming general elections in Illinois, California, Pennsylvania, Ohio, New Hampshire, New Jersey, and New York. In addition to those specifically named candidates, that ADL report noted the various states in which other unnamed LaRouche candidates had attained a place on the ballots. Immediately following the discussion of the LaRouche candidates, the segment concluded with predicted rejection of such candidates by the public. Additionally, in MUR 2163, ADL published a fundraising solicitation negatively discussing the candidacies of Lyndon LaRouche and his followers. The references in that letter to the LaRouche candidacies and ADL's acknowledged program to counter those candidacies led to the inextricable conclusion that the fundraising letter was also election-related.

Here, in MURs 3848 and 4054, there is no such discussion of particular candidates in particular pending elections, rejection of candidates, or solicitation of contributions by referring to the candidacies of LaRouche and his followers. Thus, it does not appear that the teaching materials and reports were independent expenditures. As such, neither ADL nor Milken, as corporations, would have been prohibited under Section 441b(a) from publishing and financing them. Accordingly, this Office recommends that the Commission find no reason to believe that ADL or Milken violated 2 U.S.C. § 441b(a).

b. Registration and Reporting Requirements of
Political Committees

1) Corporate Respondents

The complaints also raise the question of whether ADL and Milken are political committees which have not registered or reported as required by the Act. To qualify as a political committee, these Respondents would have to make contributions or expenditures totaling in excess of \$1,000, and a major purpose of the organizations would have to be influencing federal elections.

There is nothing in either MURs 3848 or 4054 which suggest that Respondents ADL and Milken expended over \$1,000 to influence any federal elections. As noted, none of the materials at issue in MUR 3848 even discuss any pending elections, current candidacies or voting.⁸ With respect to the reports in MUR 4054, they do not even mention any federal elections, political parties, or voting. Regardless of the amount of money alleged to have been spent on these publications, it does not appear that any of these funds were directed toward influencing a federal election. Accordingly, the complaints present no evidence that ADL and Milken are political committees. Thus, this Office recommends that the Commission find no reason to believe that ADL and Milken violated 2 U.S.C. §§ 433 and 434.

8. Nor were the teaching materials used for direct intervention or involvement in a federal election, such as to spur voter registration or get-out-the-vote efforts. In fact, they were not even directed at voter education because the target audiences in the Los Angeles Unified School District and in the other Los Angeles area schools where the materials were distributed were primarily too young to vote.

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The complaint in MUR 4054 also charges that Mira Boland, an apparent employee of ADL, violated the Act but does not indicate what provision. As we have concluded that the publications in MUR 4054 do not constitute express advocacy and are not federal election-influencing, this Office recommends that the Commission find no reason to believe that Ms. Boland violated the Act or Commission regulations with respect to MUR 4054.

ii) Education Respondents

Only the County of Los Angeles, Office of the County Counsel, on behalf of the Office of Education, wrote a response to the complaint in MUR 3848. The response was joined in all of its particulars by the LAUSD. The response flatly denies that the Office of Education is a "political committee" as defined in the Act. It further denies that the Office of Education made a contribution or expenditure under Sections 431(8) and (9). It concludes that because the Office of Education has made no contribution to any candidate or political committee, it is not in violation of 2 U.S.C. § 441a. The response next states that "an indirect effect of education respecting the complained of materials might be to influence how a particular candidate's qualifications for elective office may be evaluated by educated voters," but "this is not prohibited by the Act."

Under the analysis above, this Office concludes that the publications at issue do not expressly advocate candidates for federal election and are not for the purpose of influencing any federal election. The Respondents who disseminated the materials would therefore not qualify as political committees for their use

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of the materials. Nor is there any other evidence at hand to support this allegation that these entities are political committees. Therefore, this Office recommends that the Commission find no reason to believe that Respondent Office of Education or LAUSD violated 2 U.S.C. §§ 433 or 434.

III. RECOMMENDATIONS

1. Find no reason to believe that Anti-Defamation League of B'nai B'rith violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848 and MUR 4054.

2. Find no reason to believe that Milken Family Foundation violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848.

3. Find no reason to believe that Los Angeles Unified School District and Los Angeles County Office of Education violated 2 U.S.C. §§ 433 and 434 in MUR 3848.

4. Find no reason to believe that Mira Boland violated any provision of the Act or Commission regulations in MUR 4054.

5. Approve the appropriate letters.

6. Close the files.

Lawrence M. Noble
General Counsel

Date

11-17-94

BY:

Lois G. Lerner
Associate General Counsel

Attachments

1. Response of the Los Angeles County Office of Education
2. Response of Anti-Defamation League and Mira Boland

24043601687

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Anti-Defamation League of B'nai
B'rith;
Milken Family Foundation;
Los Angeles County Office of
Education;
Los Angeles Unified School
District;
Mira Boland.

MURS 3848/4054

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 22, 1994, the Commission decided by a vote of 5-0 to take the following actions in MURS 3848/4054:

1. Find no reason to believe that Anti-Defamation League of B'nai B'rith violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848 and MUR 4054.
2. Find no reason to believe that Milken Family Foundation violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848.
3. Find no reason to believe that Los Angeles Unified School District and Los Angeles County Office of Education violated 2 U.S.C. §§ 433 and 434 in MUR 3848.

(continued)

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4. Find no reason to believe that Mira Boland violated any provision of the Act or Commission regulations in MUR 4054.
5. Approve the appropriate letters, as recommended in the General Counsel's Report dated November 17, 1994.
6. Close the files.

Commissioners Aikens, Elliott, McDonald, Potter, and Thomas voted affirmatively for the decision; Commissioner McGarry did not cast a vote.

Attest:

11-24-94
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., Nov. 17, 1994 9:30 a.m.
Circulated to the Commission: Thurs., Nov. 17, 1994 11:00 a.m.
Deadline for vote: Tues., Nov. 22, 1994 4:00 p.m.

bjr

24043601689



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 2, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kathy A. Magraw, Treasurer
Committee to Reverse the Accelerating
Global Economic and Strategic Crisis:
A LaRouche Exploratory Committee
P. O. Box 730
Leesburg, VA 22075

RE: MUR 4054

Dear Ms. Magraw:

On November 22, 1994, the Federal Election Commission reviewed the allegations of your complaint dated September 2, 1994, and a complaint involving similar issues filed December 28, 1993 (MUR 3848). The Commission found that on the basis of the information provided in your complaint, and information provided by respondents, there is no reason to believe that the Anti-Defamation League of B'nai B'rith violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848 and MUR 4054. The Commission found that there is no reason to believe that Mira Boland violated any provision of the Act or Commission regulations in MUR 4054. Accordingly, on November 22, 1994, the Commission closed the file in this matter.

The Federal Election Campaign Act of 1971, as amended ("the Act") allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois S. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

24043601690



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

December 2, 1994

Michael J. Kurman, Esq.
Barbara S. Wahl, Esq.
Arent Fox Kintner Plotkin & Kahn
1050 Connecticut Avenue, N.W.
Washington, DC 20036

RE: MUR 3848/MUR 4054
Anti-Defamation League of
B'nai B'rith
Mira Boland

Dear Mr. Kurman and Ms. Wahl:

On January 6, 1994, the Federal Election Commission notified the Anti-Defamation League of B'nai B'rith ("ADL") of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. This matter was designated as MUR 3848. On September 12, 1994, the Commission notified the ADL and Mira Boland, your clients, of a complaint involving similar issues. This matter was designated as MUR 4054.

On November 22, 1994, the Commission found, on the basis of the information in each complaint, and information provided by you on behalf of your clients, that there is no reason to believe that the Anti-Defamation League of B'nai B'rith violated 2 U.S.C. §§ 441b(a), 433, and 434 in MUR 3848 and MUR 4054. Also on November 22, 1994, the Commission found that there is no reason to believe that Mira Boland violated any provision of the Act or Commission regulations in MUR 4054. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal

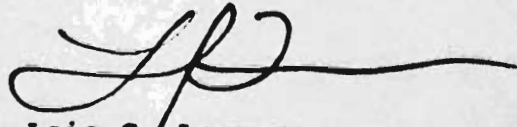
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Michael J. Kurman, Esq.
Barbara S. Wahl, Esq.
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materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

THIS IS THE END OF MUR # 4054

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