

U.S. POLITICAL NEWSLETTER SPECIAL REPORT

GAO Report On The FBI Is An Incompetent Fraud

In a case of massive official fraud, government corruption, and bureaucratic incompetence surpassing anything turned up during the Watergate scandal, Comptroller General of the United States and General Accounting Office (GAO) head Elmer B. Staats issued a 232-page pre-packaged report Feb. 23 calling on Congress to legalize Attorney General Edward Levi and FBI Director Clarence Kelley's plan to wreck the 1976 elections and rip up the U.S. Constitution.

Purporting to be the result of an independent year-long investigation of illegal FBI domestic intelligence operations with recommendations for reform, the GAO "findings" are admittedly copied directly from FBI field office summaries, and its "reform" proposals are taken almost word-for-word from one-time Nazi collaborator Levi's "anything goes" fascist guidelines for FBI conduct put forward in testimony before the House Judiciary Committee Feb. 11!

The crude GAO lie demands that Congress rubber stamp the attempted imposition by the Justice Department and its FBI paramilitary shock troops of a police state in the U.S. to protect the nation from 18 listed "subversive" and "extremist" groups — 14 of which are under the full command and control of the FBI and the CIA, and one of which no longer even exists!

In a section listing the 18 subversive and extremist organizations, the GAO report lumps in the National Caucus of Labor Committees, and the independent Nation of Islam with an aggregation of FBI-CIA counter gangs. Since the police control of groups like the CPUSA, the Symbionese Liberation Army, the Weathermen, is a matter of public record, the report itself is a fraud to give the FBI cover for further counter gang terrorist deployments against the U.S. Labor Party and the U.S. population.

The GAO report lists the following organizations as subversive:

Communist Party USA — According to the Nov. 19, 1975, testimony before the Senate Select Committee on Intelligence of staffer FAO Schwartz III, the FBI began in 1956 to take over the CPUSA, an operation "which was largely successful." The Committee report confirms that whole sections of the organization were completely captured by the FBI and that by 1963 agents bragged to J. Edgar Hoover that the party could not even lead a "fishing expedition."

Socialist Workers Party — so police-controlled that the police claimed that it could not permit its FBI agents in the organization to miss its 1974 National Conference without disrupting proceedings.

Progressive Labor Party — well-documented collaboration with the police to disrupt USLP organizing and acts as agent provocateurs in CIA busing riots.

October League — same as above

Revolutionary Communist Party — new name for FBI's Revolutionary Union, created by Bruce Franklin, Air Force Intelligence officer, run by CIA agent William Hinton.

Students for a Democratic Society — defunct

Weathermen — begun by Mark Rudd, agent provocateur, who received CIA funds through Marcuse family.

Venceremos Brigade — amalgam of FBI counter gangs with heavy influence from Bruce Franklin.

Vietnam Veterans Against the War — front group for the Revolutionary Union.

National Caucus of Labor Committees — the only communist organization in the United States.

The report lists the following organizations as extremist:

Black Panther Party — totally destroyed by government murders and frame-ups.

Black Panther Party (Cleaver Faction) — a one man show: police agent Eldridge Cleaver.

Symbionese Liberation Army — CIA gang of brainwashed zombies created by CIA agent Colton Westbrook out of Vacaville Prison; agent nature of this group widely acknowledged, even in New York Times editorial columns.

A right-wing group not publicly disclosed — could be any of several FBI-Military Intelligence fronts such as the Secret Army, Legion of Justice, or Minuteman.

Ku Klux Klan — According to findings of Senate Select Committee on Intelligence, between 70-75 per cent of Klan's new recruits are employees of the FBI. Senator Morgan (D-NC) a Committee member, revealed in a press statement two months ago that in North Carolina alone, 41 KKK klaverns were not only funded and infiltrated but created by the FBI.

American Indian Movement (only extremist element) — run by FBI Military Intelligence.

Nation of Islam — black organization independent of all police agencies.

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The GAO report also quotes approvingly without comment the following interesting FBI observation: "How then to deal with the individual, unaffiliated extremist or subversive anarchist or potential terrorist? Some of the more infamous acts of recent violence have been perpetrated by people such as Lee Harvey Oswald, Sirhan Sirhan, Arthur Bremer, James Earl Ray, and others, not known to have espoused the cause of any organized subversive or extremist group."

No Investigations

The GAO was ordered by the House Judiciary Committee to investigate the FBI. In total disregard of this mandated responsibility, the GAO turned its investigation into a libelous witchhunt against the NCLC. In the introduction to this section, the NCLC is the only organization mentioned. The report seditiously states: "FBI officials were continually concerned about small Marxist-Leninist study groups suddenly transforming into armed revolutionary bands. As an example, the FBI mentioned the National Caucus of Labor Committees, once an ineffective, loosely knit group, which is expanding rapidly under new national leadership."

The GAO admits in its reports that it was improperly denied access by the FBI to the relevant alleged factual data on which its allegations against the NCLC were predicated. The GAO report was based solely on summaries by FBI field offices. The accusations against the NCLC and its membership constitute libel per se in that they allege criminal activities and are malicious in that admittedly no effort was made to seek verification of the allegations. The Labor Committees are planning legal action.

Investigation: NCLC

The report notes a sharp shift away from FBI "investigations" of "New Left" groups beginning in 1973 (they had all been taken over by then) and a new focus on a certain unnamed "subversive group": "In a directive of October 4, 1973...agents were instructed to direct 'forceful and imaginative investigative efforts' at the organization's organizing and recruiting activities...This followed a communication of September 25, 1973 which directed offices to — intensify — (the group's) investigations with special emphasis on the development of members informants.' ...'Your progress in this matter will be closely followed at FBI (headquarters)' ...The pressure on field offices was maintained in a directive of March 6, 1974, which said: 'The development of member-informants is vital to our investigation of the — (group)...implement a program whereby genuine efforts are utilized to develop quality informants.' "

Three FBI informants who attempted to infiltrate the NCLC during the October 1973 - March 1974 period were uncovered and their confessions are a matter of public record.

* William Rini, in March 1974, joined the Labor Party in Cleveland following FBI instructions to gather psychological profiles on NCLC members, names and addresses of Party supporters, and the names of financial donors. He also admitted that he had informed the FBI in advance of USLP street rallies that were subsequently disrupted by police arrests of party members at the site.

* Vernon Higgins in the same month joined the Labor Party in Detroit and became a USLP candidate for public office and attempted to discredit the USLP with racist statements; his confession revealed a long career of service to the CIA, OSS, and Naval Intelligence, including participation in the Bay of Pigs invasion and the Pontiac school bus bombings.

* Anthony Banks joined the Labor Party in Newark in October 1973, at the beginning of the Rotonda-Speed municipal electoral campaign, carrying out FBI orders to steal membership lists and phone numbers; and in the process prejudicing the trial of seven USLP members pending in Newark in the months to come.

The GAO And Staats

The GAO, contrary to popular myth, is not an independent nonpolitical agency in the legislative branch, but an instrument of the executive and Wall Street used to manipulate and bully Congress.

Moreover, the GAO is Wall Street's official debt collector in Washington! According to the United States Government Manual "The General Accounting Office settles claims against the United States as required by law or by the United States where there are questions about the amount or propriety of the debt, or the liability of the debtor, or the administrative agency has not been able to collect the debt. Claims for or against the United States may involve individuals, business entities, or foreign, state, and municipal governments as claimant or debtor."

Who is this Elmer B. Staats that Averell Harriman and Nelson Rockefeller had appointed their political debt collector and now count on to help terrorize Congress into legitimizing the imposition of police state rule? Staats is a former research director of the Harriman-allied Marshal Field and Co.; from 1954-1958 he was the executive officer of the National Security Council's Operations Coordination Board; in 1961, the recipient of the Rockefeller Public Service Award.

NEW YORK, Feb. 26 (IPS) — The following statement was issued today by U.S. Labor Party presidential candidate, Lyndon LaRouche:

“The libelous characterizations of my organization as subversive and violent by the FBI and the General Accounting Office (GAO) represent an open escalation in Attorney General Levi’s attempts to disrupt my 1976 presidential campaign and my organization’s efforts on behalf of debt moratorium and the proposed International Development Bank (IDB).

“If these findings and the recommendations of the GAO report for ‘preventive action’ were to be adopted by Congress, Congress would be explicitly legalizing the imposition of police-state methods to wreck the 1976 elections and to destroy the U.S. Constitution.

“In Chapter 5 of the GAO report, the National Caucus of Labor Committees (the core organization of the U.S. Labor Party) is the final organization on a list of ‘subversive’ organizations. The report later states that the FBI is ‘continually concerned about small Marxist-Leninist study groups suddenly transforming into armed revolutionary bands. As an example, the FBI mentioned the NCLC, once an ineffective, loosely-knit group which is expanding rapidly under new national leadership.’

“The FBI ‘subversive’ list is not only an attempt to revive the old Attorney General’s subversive list from the 1950s, but it is targeting the NCLC and the USLP for the specific purpose of continuing and escalating ‘dirty tricks’ and terror operations against supporters of my campaign and supporters of the Labor Party’s programmatic proposals.

“This is made absolutely clear from a review of the other organizations listed as ‘subversive’ or ‘extremist.’ With the sole exception of the Nation of Islam, every other organization is directly controlled by the FBI or other intelligence agencies. These organizations, such as the Communist Party USA, the ‘Revolutionary Communist Party,’ and the Ku Klux Klan, are straight FBI deployments against the Labor Party. They are part of an ongoing operation which would be legalized as ‘preventive action’ under the proposed guidelines.

Put the FBI on Trial

“The FBI is now frantically trying to cover their tracks and defend themselves against the charges of illegal activities we have constantly made against them. We are putting the FBI on trial in five civil cases in Federal Courts. The suit filed in my name against FBI Director Kelley, Levi, and the FBI in Federal Court in New York, is exactly on this point: That the FBI’s public characterization of the NCLC and the U.S. Labor Party as ‘violence-prone’ is done for the deliberate purpose of disruption of my campaign and other election campaigns of the Labor Party.

“In three other federal cases already filed (in Detroit, New Jersey, and Reading, Pa.) and in one pending case in Ohio, we are charging the FBI with conspiring to disrupt Labor Party election campaigns.

“The GAO report frankly admits that the FBI is scared of these cases, with its references that political candidates of the NCLC (and the FBI-run SWP) not be directly investigated. But the report admits that any investigations of political candidates are carried out under the direct instructions of FBI headquarters — a key point which we have already alleged in holding Kelley and Levi responsible in court for the illegal activities of their field agents.

“We demand that the Congress reject the GAO report out of hand and that instead, it proceed with the urgent business of investigating illegal FBI interference in the 1976 elections and with holding hearings on our own proposed Law Enforcement Reform Act of 1976.

“We will be entering Federal court next week for an emergency injunction against both the GAO and the FBI — to enjoin the GAO from circulating or using their recent report, and to prevent the FBI from further disrupting my election campaign through its baseless characterization of my organization as ‘violence-prone’ and ‘subversive,’ and through its ‘Smith Act-McCarran Act’ investigations of NCLC and USLP members.

“If Congress capitulates to the FBI’s crimes, it is writing the epitaph for constitutional government in the United States. It is up to the organized force of the U.S. working class to see that this is not allowed to happen.”