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## New York 'LaRouche' Trial

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# Defense begins its case: Will Henry Kissinger take the stand?

The prosecution in the New York "LaRouche" case finally rested July 26, three and one-half months after the trial started, back in April, before presiding New York Supreme Court Justice Stephen G. Crane. By contrast, the Alexandria, Virginia federal railroad that sent former presidential candidate Lyndon LaRouche and six others to federal prison last winter, took a total of three weeks, start to finish.

On the same afternoon when the New York prosecution rested, July 26, the defense opened its case as attorney Jeffrey Hoffman called to the stand as his first witness his own client, Robert Primack. Primack and co-defendants George Canning, Marielle Kronberg, and Lynne Speed—all associates of LaRouche—are charged in New York with one count of misdemeanor conspiracy and one count of scheme to defraud. At issue are loans taken on behalf of three LaRouche-associated publishing and distribution companies: New Benjamin Franklin House, Campaigner Publications, and Caucus Distributors. The prosecution claims that the loans (many of which the companies could not repay) were taken with no intention to repay, and therefore constitute acts in a scheme to defraud. The defense asserts that the loans could not be repaid because a campaign of government and related harassment against the LaRouche movement, designed to destroy the movement politically and financially, constituted overwhelming financial warfare.

### Kissinger's subpoena

The drama of Primack's testimony in his own defense (as lawyers know, it is highly unusual for defendants to testify, and it is almost unheard-of for a defendant to testify first), may be matched Aug. 3, when Judge Crane is to rule on whether or not Henry Kissinger may quash a defense motion to subpoena him to the stand as a hostile witness. In a ruling which the defense considers erroneous and may re-argue, Crane has already quashed a subpoena to former New York Democratic Party chairman Lawrence Kirwin.

Both were called in support of the defense's contention that ongoing harassment overseen by, among others, Kissinger, had the effect of making it impossible for the LaRouche-related companies to stabilize financially and repay many of

the loans. Defense attorney Mayer Morganroth cited in his opening argument letters Kissinger had written in 1982 to then-FBI Director William Webster demanding an investigation into LaRouche's funding—which, the defense charges, signaled the beginning of a vast and lengthy campaign, which continues to this day, to destroy the sources of the movement's funding by destroying the ability of LaRouche movement fundraisers to raise an adequate income. Larry Kirwin's significance in the financial warfare against LaRouche, is related to the attempt by the Democratic Party nationally to crush the LaRouche movement after two candidates associated with LaRouche won a statewide Democratic primary in Illinois in 1986, and thereby became the Democratic nominees for lieutenant governor and secretary of state.

### How the prosecution case came in

With almost as much "downtime" as there were trial days between April 10 and July 26, in the prosecution case New York Assistant Attorneys General Dawn Cardi and Rebecca Mullane called 25 witnesses, about 20 of whom had lent money to one of the three companies cited in the indictment. About 8 of those 20 witnesses made little sense from the prosecution standpoint, however: As became clear during cross-examination, they had been repaid either in whole or substantial part, or had forgiven or extended their loans, or had never made a loan.

The other category of prosecution witness was the one Cardi and Mullane referred to as "insiders"—former members of the LaRouche movement who had turned against their former associates in order to avoid prosecution themselves. "Insiders," the prosecution called them—but the standard slang for such people is more descriptive.

Minutes into the testimony of the first prosecution witness (Basil Hwochinsky, who testified on May 4), it had already become clear that the prosecution assertion in opening statements that "this case is not about politics," was nonsense. Throughout the prosecution's case, witness after witness testified to having known that the companies in question were political, not "business entities," that the LaRouche movement and its associated companies were in a perpetual cash

crisis, in many cases unable to pay rent or even phone bills, and that the LaRouche movement was the target of government harassment and financial warfare. Prosecution witnesses have testified that they were aware of these facts *before* they made their loans, and that, in many cases, they had made second and third loans even when the interest was not being paid in a timely fashion on their first loans.

In other words, the prosecution's "this isn't politics" claim, and the related claim that lenders were not told of the "risks" of lending to these companies, seem to have been clobbered by many of the prosecution's own witnesses. On July 25, the last full day of the prosecution's case, witness Peter Rogers (the former chairman and chief executive officer of RJR Nabisco) testified about the loans he had made to Caucus Distributors, and conceded that, in his initial interview with the New York Attorney General's office, he had told them that CDI was set up because other "LaRouche entities had been hounded out of existence." He said that he had lent his money because the New York/New Jersey regional office of the LaRouche movement couldn't afford to pay its rent, and also conceded, on cross-examination, that *two years after the due date on his loan*, he was still donating money.

All that, and much, much more to the same effect, came in through the prosecution's own witnesses.

### **Primack takes the stand**

In roughly two days of testimony at the opening of the defense case, Robert Primack began to tell the defense story—interrupted, at first, at almost every breath by a hypersensitive Dawn Cardi crying, "Object! Object, Your Honor."

As Primack began to speak, explaining why he had joined the LaRouche movement back in 1971, Cardi snarled, "Objection." She didn't want to hear a word about politics. But a number of jurors looked disgusted at her objection; prosecution witnesses have been talking for months, and they wanted to hear what Primack had to say.

Just after Primack, in describing a specific phone call he had made to a potential lender, revealed that the Ku Klux Klan had once burned a cross outside the Baltimore office of the LaRouche movement—in retaliation for some of Primack's own political activities—Cardi screamed, "Objection"; Judge Crane snapped, "Sustained and stricken," and the jury was excused for the day.

Next day, in finishing his direct testimony, Primack explained that he had thought, as a member of the LaRouche movement and a fundraiser, that loans could in fact be paid back, not simply if the organizations involved raised more contributions and sold more subscriptions, but especially if the movement was able to achieve significant political breakthroughs—through LaRouche's presidential campaign of 1984 and through the multi-candidate slates the movement recruited and ran. That kind of breakthrough, he thought, was the basis for putting the LaRouche movement and associated organizations on a far more stable financial footing, as

part of an overall political breakout.

He described his own excitement when LaRouche candidates did indeed win the March 1986 Illinois Democratic Party primary—and what an unwelcome and unexpected surprise it was, to find that that victory brought a flood of hostile press coverage, and, rather than a political breakthrough, a collapse in the ability of any LaRouche-related organization to raise money.

### **Prosecutor a little too nasty**

Assistant Attorney General Mullane began her cross-examination of Primack with an overtly hostile demeanor. She inquired into Primack's conversations and dealings with particular lenders who, the prosecutors claimed, were not repaid. In many instances, Primack testified that these lenders had forgiven their loans, accepted payments in kind, or been paid back some or all of their money.

Primack frankly attested to the financial condition of the LaRouche movement—often unable to pay rent, utility, phone bills, or its members' basic needs. And, he said, this financial instability was communicated to prospective lenders. In fact, supporters were asked to make contributions or loans to do their part in trying to deal with that financial instability. He described the efforts he had made to reduce the degree to which the LaRouche movement depended on loans, and efforts to repay outstanding loans more rapidly. And, on redirect examination by his own attorney, Jeff Hoffman, he explained why that had become impossible.

In contrast to Mullane's repeated, sarcastic question—"And you didn't care, did you, Mr. Primack, that that lender wasn't repaid?"—Hoffman asked Primack to describe how he actually had felt about the fact that the loans couldn't be repaid. After a long pause, Primack replied, his voice trembling, "I feel torn up about it. Still, to this day. I am—I was—I am—very upset."

He described what had happened to the LaRouche movement that had rendered repayment of the loans impossible. Among those events: the October 1986 raid in Leesburg, Virginia on the offices of LaRouche-related companies, in which 400 federal and state agents seized all relevant financial and loan records. He described the April 1987 involuntary bankruptcy the U.S. government imposed on Campaigner and CDI, among other LaRouche-related companies, sealing company offices not just in Leesburg, but in many places. Primack described his own experience on April 21, 1987, when his own records were seized by federal marshals in New Jersey, and explained that the government-imposed bankruptcy means that now, legally, loans to Campaigner and CDI *may not* be repaid. These lenders were people who shared our goals, said Primack. They were our supporters, our friends. And, he said, to this day he finds very painful the fact that those supporters of the LaRouche movement were penalized by the government, for their financial support of that movement.