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Documentation

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# How John Train Targetted LaRouche

*This Jan. 20, 1992 deposition was filed by EIR reporter Herbert Quinde, who conducted a thorough investigation of how banker John Train organized a defamation campaign against Lyndon LaRouche and his associates, carried out through the media. It was submitted to the United States District Court, Eastern District of Virginia, in the case of United States v. Lyndon H. LaRouche, Jr., William F. Wertz, Jr., and Edward W. Spannaus, as a Motion to Vacate, Set Aside, Correct Sentence under 28 USC section 2255. It was filed Jan 22, 1992.*

COMMONWEALTH OF VIRGINIA     )  
  ) ss.:  
COUNTY OF LOUDOUN            )

HERBERT QUINDE, being duly sworn, deposes and says:

1. I am a reporter for *Executive Intelligence Review* and make this affidavit based upon my personal knowledge of the facts stated. As to matters which are stated upon information and belief, the basis for such statements is set forth in this Affidavit and consists of interviews I conducted personally, or documents gathered and maintained by me in files concerning John Train and the participants in meetings conducted at his residence pertaining to Lyndon H. LaRouche, Jr. and the National Caucus of Labor Committees (NCLC), the political and philosophical association that Mr. LaRouche founded.

2. I make this Affidavit in support of petitioners' claims that the Government has suppressed exculpatory information known to it concerning defamatory and other actions conducted against petitioners in conjunction with the Government, government-coordinated attempts to "neutralize" petitioners' political influence in the United States and abroad, and other government operations against petitioners conducted under the authority of Executive Orders 12331 and 12333-34.

3. From March 7, 1984 to the present I have engaged in an investigation to determine who was present at a meeting at the residence of John Train, a New York financier, called to plan actions against LaRouche and the NCLC. As originally described by one participant, Michael Hudson, that meeting involved Train and 25 other journalists who planned to "coordinate national magazine stuff about you guys and [work] with federal law enforcement to deny you funding and tax exemption, is the delicate way to put it."

4. The results of my investigation and the sources for my

information, prior to April 1989 and, most importantly, May 24, 1990, can be summarily set forth as follows:

(a). On March 7, 1984, Sol Sanders, an individual who identified himself to me as a former editor of *Business Week* and the founder of the Committee for a Free World, a conservative social democratic organization, told me that two defamatory broadcasts against LaRouche by NBC-TV in January and March 1984 were planned at a meeting he attended at John Train's residence "about 8 months ago." The participants, according to Sanders, included Pat Lynch, the producer of the NBC-TV broadcasts, Dennis King, and about 25 other journalists. Sanders stated he abandoned any further contacts with the meeting participants after the meeting because "you can't have security with that many people." Sanders further described John Train to me as "one of the last OSS boys on Wall Street."

(b). Upon information and belief, on May 26, 1983 and June 2, 1983, Michael Hudson, another participant in the Train meeting, described this meeting to my former co-worker Robert Greenberg. He stated that the meeting involved "all of your enemies from the journalism field" and individuals from "the Second International." He stated that a former member of the NCLC working for "Freedom House" provided a briefing to the meeting. Hudson further stated that Train insisted that LaRouche and the NCLC be characterized as "KGB," *i.e.*, agents of the Soviet intelligence services. Hudson characterized the purpose of the meeting as journalistic efforts in conjunction with law enforcement "to deny you funding and tax exemption." He did not further reveal the participants of the meeting other than to state that Dennis King attended. He did say that a large chart of the NCLC was circulated at the meeting and that Train had contacted him regarding corrections in the chart following the meeting. I maintain certified transcripts of the Hudson-Greenberg conversations, which were taped by Greenberg, and the relevant portions of those transcripts are set forth as Exhibits A and B.

(c). In 1984 discovery conducted in the lawsuit (*LaRouche v. NBC*, a defamation action resulting from Patricia Lynch's 1984 broadcasts, Ms. Lynch stated that she received confidential and non-public information from the FBI, the CIA, the IRS, and the FEC for purposes of the broadcasts and that she had spoken to James J. Angleton, the former counter-intelligence director of the CIA in the course of preparing the broadcasts. She stated that law enforcement and intelligence community officials had expressed "concern" to her about LaRouche as early as 1982 and it was up to her to follow up those concerns. She also produced a chart purporting to describe the NCLC and marked "Updated October 23, 1983," which, upon information and belief, is the corrected version of the chart circulated at the meeting Mr. Hudson described. (Exhibit C.) Ms. Lynch stated she obtained the chart from Peter Spiro, a writer for *New Republic*, who in January 1984, also published defamatory materials concerning LaRouche in *New Republic*. (Exhibit D.)



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*NBC-TV producer Pat Lynch said she had spoken to James J. Angleton, the former counter-intelligence director of the CIA, in the course of preparing her defamatory broadcasts against LaRouche. She was a participant in a meeting targeting LaRouche at John Train's residence.*

(d). On May 26, 1986, I interviewed Ellen Hume, who had written a derogatory article concerning LaRouche in the March 23, 1986 *Wall Street Journal*. (Exhibit E.) She stated that she had attended a meeting at John Train's concerning LaRouche without recalling the date or revealing other participants, and stated that the sources for her article were Patricia Lynch and law enforcement.

(e). On March 19, 1987, I succeeded in interviewing Virginia Armat, who identified herself to me as John Train's personal editor, a former editor of the *Reader's Digest*, and a collaborator with John Train on infiltrations and investigations conducted against the Washington, D.C. Institute for Policy Studies, a think-tank accused of subversive activities by conservatives. She stated she attended a meeting against LaRouche at John Train's residence in the spring of 1983, and that Dennis King and Patricia Lynch were present at the meeting. She also indicated that the activities of Train and his collaborators against LaRouche were continuing by stating to me that she and Train had solicited the placement of a May 1986 diatribe by King and Lynch against LaRouche in the *Wall Street Journal* (Exhibit F), and that she and Train were in collaboration with Eugene Methvin. Methvin published an influential national *Reader's Digest* article against LaRouche in August 1986 entitled, "Lyndon LaRouche's Raid on Democracy." (Exhibit G.)

5. My efforts to investigate this matter were hampered by

the fact that key identified participants would not talk to me at all, and individuals I did talk to would not fully discuss the meeting or its participants. Every interview I conducted was pretextual and, to the extent I succeeded in getting an individual on the phone, my efforts to discuss the meeting, once broached, were either met with a change of subject after limited discussion, or the individual hanging up the phone. Subsequent to his revelations to Mr. Greenberg, Mr. Hudson has claimed that he does not remember the meeting he attended or its details. (Exhibit H.) Mr. Train denied there were any meetings and said he had only a "passing interest" in LaRouche concerning LaRouche's position on debt. Mr. Angleton denied any involvement with Train or Patricia Lynch. Ms. Lynch has repeatedly refused to discuss her sources, citing reporter's privilege. (See, e.g., Exhibit I.)

6. Based upon my investigation prior to the Alexandria trial, the following defamatory articles and broadcasts can be traced to the collaboration of participants in the Train meetings:

(a). The January 1984 *New Republic* article calling for the exposure and unmasking of LaRouche as an extremist;

(b). The January and March 1984 NBC-TV News pieces by Lynch, scandalizing LaRouche's numerous associations with individuals involved in the Reagan Administration and the intelligence community, and blithely claiming that LaRouche planned to assassinate former President Jimmy Carter by remote control television, ran a violent cult, and engaged in questionable fundraising, and calling for an IRS investigation;

(c). A November 1984 *New Republic* article by Dennis King and Ronald Radosh "exposing" LaRouche's contacts in the Reagan Administration and associating them with financial fraud, use by LaRouche for possible espionage purposes on behalf of a foreign power, and violence (Exhibit J);

(d). The March 23, 1986 *Wall Street Journal* piece by Ellen Hume and the May 27, 1986 *Wall Street Journal* piece by Lynch and King. The latter article contains leaks from the Boston grand jury investigation and interviews with anonymous former NCLC members whom King and Lynch call "defectors."

(e). Two successive April 1986 NBC-TV National News Broadcasts, produced by Lynch, featuring rebroadcast of the most incendiary allegations from "First Camera" and government witness Forrest Lee Fick claiming that LaRouche plotted the assassination of Henry Kissinger, numerous leaks



EIRNS/Stuart Lewis

Michael Hudson, another participant in a Train meeting, stated to EIR that the meeting involved “all of your enemies from the journalism field.” Hudson stated that Train insisted that LaRouche be characterized as “KGB.”

from the secret Boston grand jury investigation, and claims that the IRS had initiated a national investigation (Exhibit K);

(f). NBC-TV News broadcasts in March and December 1986, claiming that LaRouche was associated with the assassination of Swedish Prime Minister Olof Palme. The December 1986 broadcast featured government witness Forrest Lee Fick making this claim, together with notebook references provided by Boston prosecutors allegedly buttressing Fick’s claim. The Government knew at the time of this broadcast that this claim had been fully discredited by Swedish authorities as with all similar claims made through NBC (Appendix 59 and 61);

(g). The August 1986 Eugene Methvin *Reader’s Digest* article;

(h). Numerous additional derogatory articles that were published and disseminated, and that quoted Train meeting participants as their primary sources. (See, e.g., Exhibit L.)

7. I have been informed that numerous exculpatory evidence requests concerning the Train meeting and the campaign against LaRouche conducted by its participants were addressed to the prosecutors in the Alexandria trial, and that no information was produced by the Government pursuant to

these requests. As is demonstrated below, new information developed subsequent to trial shows that Train meeting participants were informants and effectively agents of the Government in their actions, and government officials or contractors actually participated in the Train meetings. Thus, the Government had information responsive to these requests and concealed it.

## Developments Subsequent to the Alexandria Trial

8. Upon information and belief, New York prosecutors produced in April 1989, pursuant to the New York *Rosario* rule, a second version of the chart previously produced by Lynch in the *NBC* case, which was circulated at the Train meeting. The chart was in materials provided as to People’s witness Michael Hudson, and bears the date April 23, 1983. This is at or about the time specified by Hudson as the Train meeting he attended. (Exhibit M.)

9. The April 23, 1983 version of the chart presented at the meetings reflects significant input from an FBI domestic security investigation of the NCLC which was supposedly terminated in September 1977. The Train chart even contains the same misspelling of Mr. LaRouche’s name (i.e., “LaRoche”) that is contained in a contemporaneous FBI document written by FBI Director William Webster, reporting on questions about “LaRoche” raised by David Abshire and Edward Bennett Williams at a meeting of the President’s Foreign Intelligence Advisory Board (PFIAB). That meeting addressed possible foreign sources of funding of the LaRouche movement. (Exhibit N.)

10. In a proceeding entitled *Commonwealth of Virginia v. Welsh*, in Roanoke, Virginia on May 24, 1990, Mira Boland, Washington, D.C. Fact-Finding Director of the Anti-Defamation League of B’nai B’rith (ADL), testified that she attended a meeting concerning Lyndon LaRouche at John Train’s residence in 1984. She also testified that Roy Godson was present at the meeting she attended, which discussed LaRouche’s lawsuit against NBC and Patricia Lynch.

11. Ms. Boland, according to her other testimony in *Welsh*, was formerly employed by the CIA and was the only individual outside the federal prosecution team to be invited to a post-trial victory party following this prosecution. Her other testimony demonstrates ongoing relationships with practically every member of the federal prosecution team. She held meetings with Loudoun County law enforcement personnel in 1985 and 1986, making allegations that LaRouche was the leader of a violent cult and that entities associated with him had foreign sources of funding. Her allegations were deemed persuasive by the Loudoun County law enforcement officials who heard them, and who otherwise joined with her in a vitriolic defamatory campaign against LaRouche, which substantially alienated the Loudoun County community where most NCLC members were headquartered. (Appendix 56.)



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*John Rees, who had numerous ties to the intelligence community, and had been an informant for the FBI, attended the “Train salon” meetings, and financed the trips of three left-wing writers to the meetings, even though he had previously been denounced by one of them as America’s “premier right-wing spy.”*



EIRNS/Stuart Lewis

*Mira Lansky Boland, then-Fact-Finding Director of the Anti-Defamation League of B’nai B’rith (ADL), and formerly employed by the CIA, had an ongoing relationship with practically every member of the prosecution team, and testified that she attended an anti-LaRouche meeting at the Train residence. She was the only individual outside the prosecution team to be invited to a post-trial victory party.*

12. Following Ms. Boland’s May 1990 testimony in *Welsh* and widespread public circulation of certain facts elicited in that testimony by *EIR*, I was able for the first time to obtain interviews with two other individuals who were present at the Train meetings—Chip Berlet and John Rees. Mr. Berlet disclosed Mr. Rees’ participation.

13. Mr. Berlet, an associate of Dennis King, stated to me on August 9, 1990, that individuals present at the meeting he attended at Train’s residence in 1983 had sworn never to discuss the meeting. He stated his trip to the meeting was financed, in cash, by John Rees and that Dennis King and Russ Bellant were also brought to the meeting by John Rees. The fact that Mr. Rees provided the financing for Mr. Berlet to attend the meeting was surprising to me. Mr. Berlet has investigated Mr. Rees for years, calling him America’s “premier right-wing spy,” and characterizing his activities against his targets as illegal actions conducted “privately” in conjunction with the Government in order to circumvent government restraints on such activities. I commented on this to Mr. Berlet. Mr. Berlet told me that Rees financed the participation of King, Bellant, and himself in the Train meeting in order to allow for the presentation of their views on LaRouche to a conservative audience.

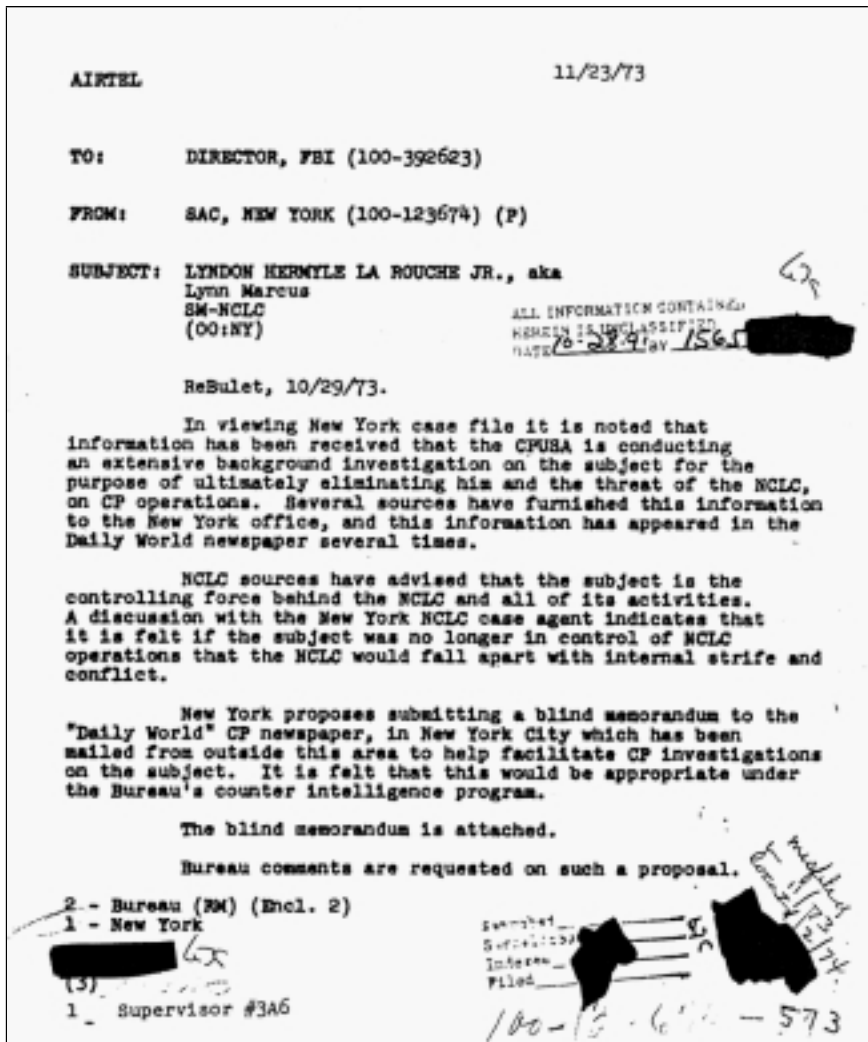
14. Mr. Berlet further stated that Roy Godson, Michael Hudson, Rael Jean Isaac, Patricia Lynch, Richard Mellon

Scaife, Virginia Armat, a woman from the ADL, Train, and Rees were also present at this meeting. Berlet also told me that he was introduced to many other individuals at the meeting who were simply identified as “gentlemen with a government connection.”

15. Berlet also told me that the funding for Dennis King’s book, *Lyndon LaRouche—The New American Fascism*, New York: Doubleday, 1989, was arranged at this meeting. According to acknowledgments in the book, the financing came from the League for Industrial Democracy and the Smith-Richardson Foundation. John Train’s name appears in the acknowledgments to that book.

16. I interviewed John Rees on November 6, 1990. He stated that he attended anti-LaRouche meetings at John Train’s home in the spring and fall of 1983 and in the spring of 1984. He described Train’s purpose in holding the meetings as the next follow-up project to Train’s work against the Institute for Policy Studies.<sup>1</sup> He did not substantially disclose additional attendees at the meetings, citing Berlet, Lynch, Cleo Patrius, Rael Jean Isaac, Richard Mellon Scaife, Russ Bellant, Dennis King, John Train, Virginia Armat, and Michael Hud-

1. The investigative tactics employed against the Institute for Policy Studies, including slander, infiltration and fomenting governmental investigations, are documented in *Covert Cadre, Inside the Institute for Policy Studies*, S. Stephen Powell, Green Hill, 1987.



18. With the new information set forth in paragraphs 8-17, other new information and documents, and information known to me, but put into a different focus by recent developments, it is now possible to set forth the following facts about the Train meetings, the defamatory campaign against Mr. LaRouche emerging from participants in those meetings, and the government associations of those identified as participating.

### Roy Godson

19. At the time of the Train meetings, Roy Godson, according to documents and testimony presented by him to the U.S. Congress, was a consultant to the President's Foreign Intelligence Advisory Board (PFIAB), a consultant to the National Security Council, a contractor and consultant to the U.S. Information Agency (USIA) enjoying a close personal relationship with then-Director Charles Wick, participated in the Reagan transition team on the Central Intelligence Agency, served as a personal assistant to CIA Director Designate William Casey, and performed classified work for Mr. Casey at the National Security Council. (Exhibit P, pp. 192, 363-64, 370-72; Exhibit Y, pp. 246-47.)

20. Mr. Godson also characterizes himself as an expert on "Soviet Disinformation" and, upon information and belief, has participated in classified U.S. intelligence operations designed to neutralize and expose what are characterized as "Soviet Active Measures" in this area. As is set forth below, Mr. Godson's colleagues in this field, Herbert Rommerstein and Donald Jamison, falsely implied that *Executive Intelligence Review* and individuals associated with it were engaged in "active measures" against U.S. foreign policy interests. (Exhibit Q, "Soviet Active Measures," pp. 54-55; Deposition of Henry Scott Miller, pp. 590, 603; *Dezinformatiza—Active Measures in Soviet Strategy*, Exhibit Y, pp. 296-97.)

21. Prior to the convening of the first Train meeting, in a symposium conducted under the auspices of the National Strategy Information Center, Herbert Rommerstein, who became the USIA's counterintelligence specialist against alleged Soviet Active Measures (see Exhibit Q), and Donald Jamison, a former CIA Soviet counterintelligence official, had described *EIR* as, in effect, a tool of Soviet disinformation. (Exhibit R-1.) Mr. Godson helped organize this meeting and, as editor of the proceedings for publication, published

The FBI Airtel of November 1973 which proposed to use the Communist Party USA "for the purpose of ultimately eliminating" LaRouche.

son. He stated that Virginia Armat prepared the chart utilized at the meetings.

17. Two recent publications state that James J. Angleton, the former chief of counterintelligence for the CIA, whom Patricia Lynch identified as involved in her 1984 defamations, was engaged from 1983-1987 in an investigation of LaRouche and his finances at the suggestion of Henry Kissinger and as a "vendetta" against LaRouche. Thomas Mangold, in his book *Cold Warrior; James Jesus Angleton: the CIA's Master Spy Hunter*, New York: Simon & Schuster, 1990, states that Kissinger enlisted Angleton to probe "LaRouche and His Finances" (p. 352). Burton Hersh, an author of a book on the CIA in the process of publication, stated in an article in the *Los Angeles Times* on June 23, 1991 that Angleton, in the last five years of his life, "along with the cultivation of orchids, fly-fishing and jewelry making . . . was amusing himself just then with a vendetta against Lyndon LaRouche." (Exhibit O.)

the Jamison and Rommerstein allegations.

22. In the same series of meetings, Godson and other participants condemned limitations on government counterintelligence and counteraction programs against perceived “subversive” threats, as leaving the nation wide open to penetration. They called for an end to such restrictions and a capacity by the Government to “neutralize” such threats through public exposure and other counterintelligence tactics. (Exhibit R-2.) By 1982, participants in the same series of symposia were discussing the 1981 Executive Orders of President Reagan, E.O. 12331 and 12333-34, as meeting the criticisms put forward by this faction of the intelligence community at their original series of meetings at the beginning of the administration. (Exhibit R-2.) Mr. Godson describes his appointment as a consultant to the National Security Council as resulting from this series of symposia, and indicates that his work involved implementation of the proposals put forward at these symposia. (Exhibit Y, pp. 209-20.)

23. In documents presented to the U.S. Congress in September 1985, Mr. Rommerstein implicated *EIR* counterintelligence editor Paul Goldstein in an alleged Soviet disinformation operation involving the assassination of the Pope. Similarly in the summer of 1986, Dr. John Seale, who was collaborating with LaRouche on AIDS research, was placed on a State Department watch list. Dr. Seale attempted to testify about this matter at the Alexandria trial. Upon information and belief, the State Department and Mr. Godson had falsely linked Dr. Seale’s work to what they termed a Soviet Active Measures campaign about U.S. governmental generation of the AIDS virus. (Exhibit S.)

24. Upon information and belief, the National Strategy Information Center (NSIC), of which Mr. Godson is the Washington, D.C. Director, receives funding from the United States Information Agency, Richard Mellon Scaife and the Smith-Richardson Foundation, and from the National Endowment for Democracy, among other funding sources. NSIC documents from 1969 list William J. Casey as a director and Roy Godson as a registered agent. Mr. Casey served as NSIC’s lawyer through 1968. In 1982, Prescott Bush, the President’s brother, was a Director of NSIC. (Exhibit P, p. 364; Exhibit T; Exhibit Y, p. 261.)

25. Mr. Godson has been a long-time political opponent of LaRouche. Upon information and belief, during the 1970s Mr. Godson provided false information to the FBI concerning alleged violence by LaRouche and foreign sources of funding, meeting with the FBI for this purpose on January 16, 1976. These allegations generated substantial FBI investigative activities. In testimony in *LaRouche v. Webster*, a civil suit against the FBI, Mr. Godson testified in April 1984 to participating in the meetings in question with the FBI and Tom Kahn of the AFL-CIO and League for Industrial Democracy (LID). He testified to knowing an informant, Ted Roberts, who infiltrated the NCLC for Kahn and LID, but refused to answer questions about his relationship with the FBI and other intelligence agencies.

26. In his April 1984 deposition, however, Mr. Godson portrayed the activities of the NCLC as something of only passing casual academic interest to him from some years ago. (Exhibit U.)

27. During the first administration of President Ronald Reagan and the tenure of William Clark as National Security Advisor, Richard Morris, Mr. Clark’s executive assistant, and other members of the National Security Council (NSC) had numerous meetings with Mr. LaRouche and his associates on issues of national policy. These meetings occurred in 1982 and 1983 on almost a weekly basis and included discussions about anti-ballistic missiles, Soviet relations, economics, the Contra issue, the national debt, bank indebtedness to countries in Central America, and South Africa. (Appendix 58.)

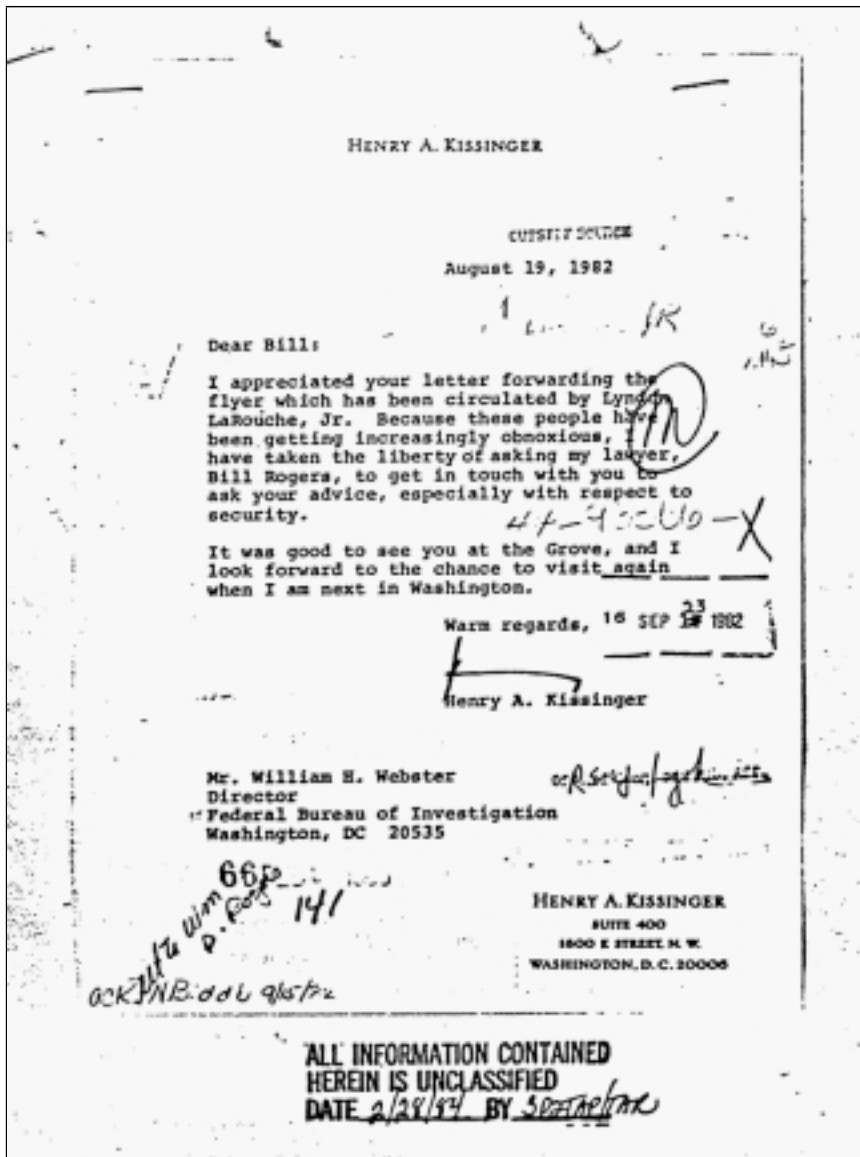
26. In testimony in *Welsh*, on May 21, 1990, Mr. Morris identified an opposition within the NSC to meetings with Mr. LaRouche and others affiliated with him. Mr. Morris testified that the most vocal opponents of Mr. LaRouche were Kenneth DeGraffenreid, Walter Raymond, and Roy Godson. Mr. Morris classified Roy Godson as the most persistent critic. He stated that Godson characterized Lyndon LaRouche as “as a socialist, as a communist, as a member of the KGB, as a fascist, and always he was an extremist.” (Appendix 58, pp. 26-27, 30.) Mr. Godson insisted Mr. Morris discontinue meeting with LaRouche and his representatives. *Ibid.*

27. Roy Godson was a consultant to PFIAB at the time the PFIAB request to the FBI for investigation of the NCLC was circulated on January 12, 1983, that is, just prior to the convening of the initial Train meeting in the spring of 1983, which insisted that LaRouche was to be portrayed as a KGB asset. The PFIAB document queried the FBI as to whether it had an open intelligence investigation of LaRouche under the guidelines *or otherwise*. (Exhibits N, P.)

28. The Vice Chairman of PFIAB at the time of the Train meetings was Leo Cherne. Upon information and belief, based upon interviews I have conducted and background files, Mr. Cherne is considered to be a major figure in the U.S. intelligence establishment. He provided William Casey his first job at the Research Institute of America, and a similar career path was followed by Senator Daniel Patrick Moynihan. Mr. Cherne founded Freedom House, the organization now documented as providing a central briefing to the Train meetings. (Exhibit X.)

29. The FBI responded to the PFIAB request through a Memo from “S. Klein” to Oliver B. Revell, citing a previous September 24, 1982 Memorandum from James E. Nolan, which stated the NCLC “might be propitious to Soviet propaganda interests,” and further stated that under the domestic security and foreign counterintelligence guidelines, the FBI *did not* have an investigation of the NCLC. (Exhibit N.)

30. In September 1984, the FBI and CIA, utilizing information supplied by Fred Lewis, Gary Howard, and Ron Tucker, opened an investigation of Jeffrey Steinberg, an author of the book *Dope, Inc.*, central to the Alexandria trial, based upon the false allegation that Steinberg maintained a



Henry Kissinger's "Dear Bill" letter of August 1982, asking William Webster, then-Director of the FBI, for his help in going after LaRouche.

fund to hire mercenaries to assassinate drug dealers in Latin America. Upon information and belief, the circulation of such allegations and the resulting investigation would impair the desire of any governmental official in the United States, Latin America, or elsewhere to collaborate with LaRouche or Steinberg. A similar effect could be anticipated from circulation of the line that LaRouche was acting on behalf of the Soviets or engaged in Soviet active measures, as implied by the FBI-PFIAB exchange. (Exhibit V-1.)

31. According to FOIA documents released for the first time in October 1991, Lewis, Howard, and Tucker were considered to be reliable informants to the State Department and the National Security Council. Gary Howard has stated under oath, however, that actions against LaRouche commencing

in 1984 were solicited by the FBI and CIA. (Exhibit V-2, pp. 3, 11, 13.)

32. By April 1985, the combined effect of the operations conducted through Train meeting participants and the investigations spawned through PFIAB and elements of the CIA and FBI had had their effect within the law enforcement and intelligence community in which LaRouche and *EIR* attempted to shape national policy. Any CIA personnel maintaining contacts with LaRouche or his associates were subject to internal investigation and notations in their file, presumably as reprimands for this activity. NSC economics advisor Norman Bailey left the National Security Council following meetings between NSC staff and the ADL concerning the political ramifications of his association with LaRouche. The full impact of these actions on foreign government officials collaborating with LaRouche and *EIR* and the populations subjected to the campaign of defamation is incalculable. (Exhibit V-3.)

33. As set forth in testimony before the congressional committee investigating the Iran-Contra affair, Messrs. Cherne, Wick, Raymond, and Godson were central participants in propaganda efforts conducted under the auspices of Executive Order 12333 to influence public opinion in favor of foreign policy initiatives emanating from the Reagan National Security Council and against opponents of these policies. Freedom House was a recipient of Project Democracy funds for this purpose. These actions were contemporaneous to similar actions undertaken by Godson and other identified Train meeting participants against LaRouche.

son and other identified Train meeting participants against LaRouche.

The Iran-Contra hearings demonstrate that this grouping drew from private consultants, many of whom were former government intelligence personnel and friendly journalist and government-funded institutions, in conducting these operations, effectively "privatizing" U.S. foreign policy and covert operations under the control of the NSC. In brief, opposition to Reagan Administration policies was characterized as "disinformation" to be fought with "black" and "white" government-sponsored propaganda and covert operations conducted through private networks. (Exhibit W.)

34. Mr. LaRouche and *EIR* opposed vehemently the Reagan Administration's Central and South American poli-

cies, among other policies. Commencing with consultations with then-President Jose Lopez Portillo in Mexico in 1982 concerning Mexico's treatment of its foreign debt, LaRouche traveled extensively in Latin America seeking to form a "debtor's cartel," which would force appropriate international monetary reforms and development policies. *EIR* repeatedly attacked and exposed the Contras as drug-runners, and otherwise exposed the banking networks central to the drug trade through the books *Narcotrafico, S.A.*, published in Latin America, and *Dope, Inc.*

35. I interviewed Leo Cherne in June 1989. He told me that he chaired a task force at PFIAB on Third World debt that had been established through William Casey in reaction to Mexico's repudiation of its debt in 1982. President Lopez Portillo's action, which was known by Cherne to have been coordinated with LaRouche, had sent a "shock wave" through Washington.

36. According to a March 3, 1983 memo written by Walter Raymond, Roy Godson participated in putting together a \$5 million "package for funding" from a private group for public diplomacy propaganda purposes in support of Reagan NSC policies. In a subsequent memo, Mr. Raymond represented that Mr. Godson and Leo Cherne of Freedom House "had several meetings with the private donors executive committee." (See Exhibit X, April 29, 1983 Memorandum of Walter Raymond.) Mr. Godson also met with the donors themselves. (See Exhibit X, Deposition of Walter Raymond, *Report of the Congressional Committees Investigating the Iran-Contra Affair, Appendix B: Volume 22*, September 24, 1987, p. 292.) Mr. Godson and Mr. Raymond both recommended that the administration attempt to obtain "funding via Freedom House or some other structure that has credibility in the political center," for these efforts. (See Exhibit X, August 9, 1983, Memorandum of Walter Raymond.)

37. By 1985, Roy Godson and Terry Sleese, the attorney for Train meeting attendee Richard Mellon Scaife, were tasked by Oliver North to raise funds from private citizens for use in the Contra and public diplomacy efforts. Mr. Godson was assigned the task of raising \$20,000 per month. (Exhibit Y, Deposition of Roy Godson, pp. 253-62, 268-73.) Mr. Godson was also accused during the course of the Iran-Contra proceedings of engaging with North in diversion of funds to support the Contras. (Exhibit Y.)

38. In addition to extreme policy differences already specified and the popular support for LaRouche's policies embodied in the March 1986 Illinois primary result, in which LaRouche associates Mark Fairchild and Janice Hart won the Democratic primary races for Lt. Governor and Secretary of State respectively, the NSC fund-raising operations brought the NSC into direct conflict with LaRouche over money and policy. Many contributors to LaRouche causes were being solicited by North's operations, while simultaneously being told by LaRouche representatives that the Contras were drug-runners, and that Kissinger's policies for Central America would result in a debacle for the United States. (Exhibit Z,

pp. 8-24.) The most egregious example of such conflict is Barbara Newington, who provided approximately \$1.6 million in contributions to LaRouche causes in 1985 and 1986 while simultaneously being solicited through the National Security Council operation. I personally investigated the circumstances surrounding Mrs. Newington's cessation of support for LaRouche, and know that her support diminished drastically following a personal visit by Oliver North to her home in May 1986. (Exhibit Z, pp. 4, 6-7.)

39. In May 1986, according to an NSC Memorandum from Richard Secord to Oliver North, which surfaced during the course of the Boston trial, NSC and State Department operatives Lewis, Howard, and Tucker were being interviewed at that time under NSC auspices because they had "good information" on LaRouche. During the same time period, North's notebooks reflect meetings with Arthur Arundel and Lt. Col. Olmstead, both of whom were extremely active in publicity operations against LaRouche in Loudoun County, Virginia. (Exhibit V-2, p. 12; Exhibit Z, p. 25.)

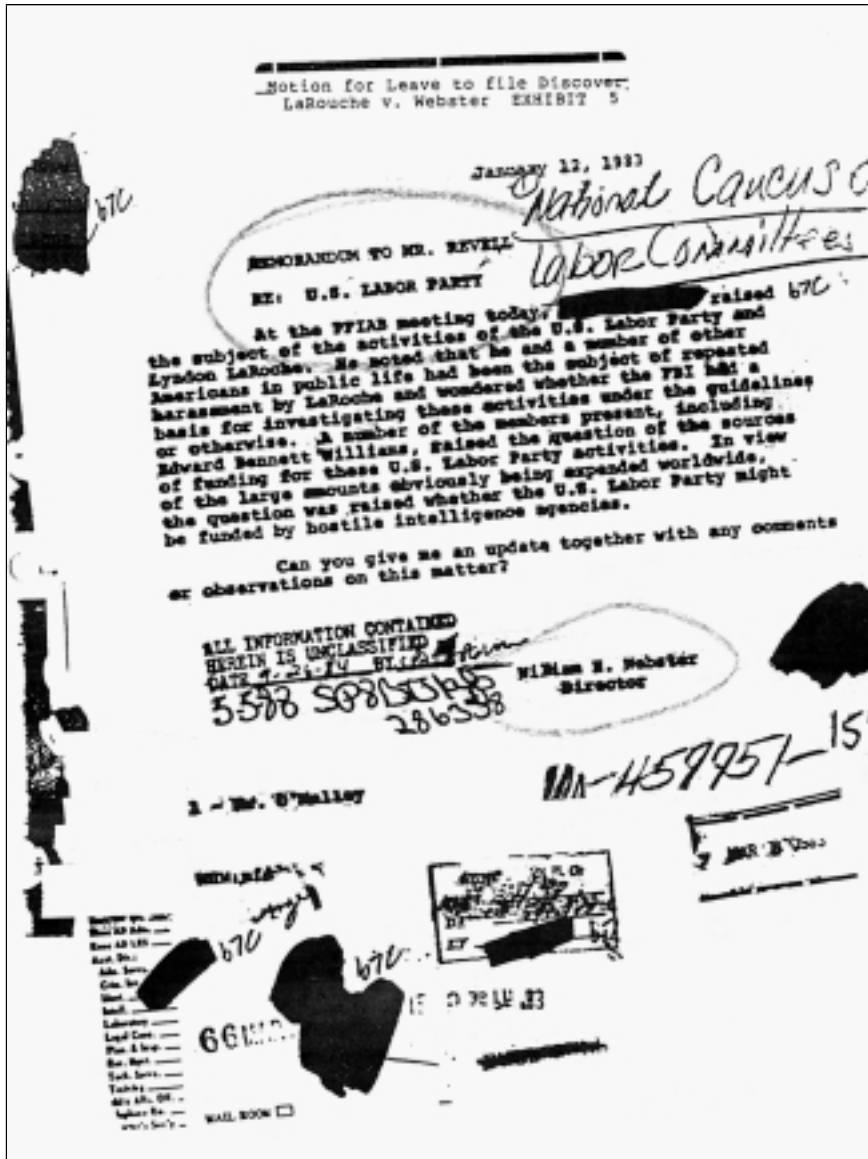
### Other Train Meeting Participants

40. The ADL, which played a central role in the prosecution of LaRouche and participated in the Train meetings, also participated, upon information and belief, in propaganda operations emanating from the National Security Council designed to influence American public opinion concerning Reagan Administration Central America policies, and its former personnel and funders played central roles in the Project Democracy program. The ADL widely circulated in the United States the allegation that the Sandinistas were anti-Semitic. (Exhibit AA.) I am informed that the ADL's longstanding relationship with other government agencies is otherwise set forth in petitioners' 2255 motion.

41. Additionally, Carl Gershman, a former staff member of the ADL, became the President of the National Endowment for Democracy, the critical funding mechanism for the Reagan Administration's Project Democracy. In 1983, Leonard Sussman, a member of the National Board of Directors of the ADL, was also an executive director of Freedom House, a participant in the Train meetings. During the time period of the conspiracy alleged in the indictment, Sussman was working with Walter Raymond of the National Security Council and Charles Wick of the USIA to recruit "private donors" to the NSC's Project Democracy endeavor. Among the individuals solicited in the National Security Council's "outreach" program were Dwayne Andreas and John Kluge, both major funders of the ADL and, upon information and belief, funders of the ADL's actions against LaRouche. (Compare Exhibit AA, Exhibit X.)

42. Upon information and belief, John Rees has numerous ties to the intelligence community and the Federal Bureau of Investigation. He is listed on documents he provided to the FBI about the NCLC in the 1970s as an informant to the Washington Metropolitan Field Office with Informant No. WF-5728-S. (Exhibit BB.)





Memorandum from FBI Director William Webster to the FBI's Oliver "Buck" Revell, citing the PFIAB discussion of targeting LaRouche's organization.

43. On June 6, 1985 Mr. Rees spoke at a gathering of current and former intelligence officials under the rubric of the Nathan Hale Institute in Washington, D.C. as an "expert" on LaRouche and provided information on the purportedly secret Boston grand jury investigation of LaRouche and the NCLC. The Nathan Hale Institute is self-described as an association of former intelligence officials and other interested parties lobbying for an end to restrictions on government counter-intelligence and counteraction activities. (Exhibit BB.)

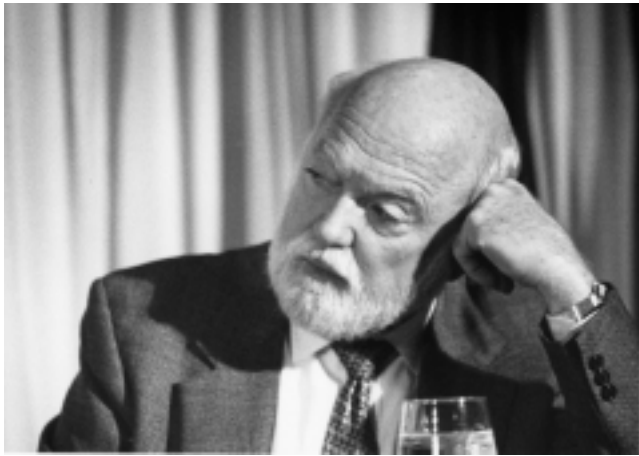
44. Mr. Rees also testified against LaRouche, with Irwin Sull of the ADL, at May 1986 U.S. Civil Rights Commission hearings, which were convened following the victory of Janice Hart and Mark Fairchild in the Illinois Democratic

primaries of March 1986. Rees presented himself in that testimony as an expert, and portrayed LaRouche as a violent threat to society with "international operations and connections" and a "determination to establish privileged relationships with government officials." (Exhibit BB.)

45. Upon information and belief, Mr. Rees maintains extensive files on groups or individuals he has considered threats, has run infiltration operations for various police departments, and makes his living selling the information he collects to law enforcement agencies and journalists. (Exhibit BB.) According to the *Orange County Register* of March 11, 1988, Mr. Rees' information about alleged subversive threats was employed by the State Department Office of Public Diplomacy in its efforts against perceived opponents of the Reagan Administration. (Exhibit BB.) Mr. Rees' sources include police officials and FBI agents. Rees' Maldon Institute, a Maryland corporation with tax-exempt status, lists former FBI Assistant Director for the Intelligence Division, Raymond Wannell, as a Director. (Exhibit BB.)

46. On June 10, 1985, following Rees' Nathan Hale Institute speech, I interviewed Raymond Wannell, who referred me to Rees and Roy Godson as the individuals with the most up-to-date information on LaRouche. He cited legal restrictions on FBI intelligence activities as the reason why LaRouche had access to individuals in Washington. (Exhibit BB.) Upon information and belief, Mr. Wannell, as Director of FBI Intelligence (Division 5), supervised the FBI's extensive counterintelligence programs against perceived national security threats during the 1970s.

47. Upon information and belief, a March 30, 1984 John Rees *Information Digest* issue on LaRouche and the August 1986 Methvin *Reader's Digest* piece were the "background" information utilized by Loudoun County authorities in their activities against LaRouche. In August 1986, Loudoun County prosecutor William Burch provided these articles as "background" to the State of Wisconsin, pursuant to a request for information about LaRouche "and his business entities," according to a Freedom of Information Act (FOIA) release from the State of Wisconsin received in September 1990. (Exhibit BB.)



EIRNS/Stuart Lewis

*Senior Reader's Digest editor Eugene Methvin wrote an influential article attacking LaRouche. NBC's Pat Lynch said she and Train worked with him. Methvin advocated the collaboration of private organizations and the government against intended targets, including placement of derogatory materials in support of government actions in the media.*

48. Eugene Methvin, who authored the influential *Reader's Digest* article against LaRouche in August 1986, is a Co-Chairman of the Nathan Hale Institute. In a 1970 book entitled *The Riot-Makers*, Arlington House, Mr. Methvin called for private organizations to function in coordination with the Government to combat alleged subversive threats, including placement of derogatory materials in support of government actions in the media. He cited the ADL as "the prototype attack group" for such operations, noting with approval the ADL's methods of "guilt by association" and "calumny" to induce the desired "emotional attitudes." Mr. Methvin, at the time of the *Reader's Digest* publication, was also a commissioner on the President's Commission on Organized Crime. He has otherwise campaigned for an end to legal restrictions on government counteraction activities against alleged subversive threats, citing the FBI's former COINTELPRO program as "a model of sophisticated, effective counter-terrorist law enforcement." This program prominently employed journalists to conduct defamation campaigns against COINTELPRO targets. (Exhibit CC.)

49. The new information also establishes that Dennis King, a Train meeting participant and a crucial resource to the government's investigation, was receiving funding for his activities against LaRouche from the Smith-Richardson Foundation, and that this funding was arranged at a Train meeting attended by government officials. The same foundation and the foundations controlled by Richard Mellon Scaife, who also attended the Train meeting, were key participants in government-sponsored propaganda programs run out of the National Security Council and the U.S. Department of State under Walter Raymond and Oliver North to influence American perceptions of Reagan Administration for-

eign policy. (Exhibit X.)

50. Finally, Ronald Radosh, the co-author of the 1984 *New Republic* piece with Dennis King, has traveled to Central America under the auspices of the Puebla Institute, a tax-exempt institute studying "democracy" in Central America, and has otherwise written articles for *New Republic* about Central American policy. Mr. King's colleague, Russ Bellant, is himself the author of articles appearing in November 1988, and unknown to me until recently, asserting that the Puebla Institute was a front for CIA and National Security Council propaganda operations run under Oliver North to influence American public opinion. (Exhibit CC.)

51. In summary, each of the major participants in a campaign of vilification conducted against Mr. LaRouche from 1984-1987 were presented to the public as independent journalists. Their activities, however, were at all times coordinated with the Government and their campaign of vilification fed and sustained the government's own investigation by shutting down the NCLC's ability to influence policy, and by circulating the most heinous false and defamatory allegations about petitioners in the United States and internationally. The false allegations of foreign sources of funding, assassinations, and violence themselves trigger law enforcement investigations conducted under classified procedures, pursuant to Executive Order 12333. In addition to the operations against the NCLC, many of the participants in this grouping were otherwise involved, through the National Security Council, Project Democracy apparatus, in similar operations against other perceived opponents of their foreign and domestic political policy objectives.<sup>2</sup> It is obvious that any political organization sustains itself on its ability to generate success for its policies and upon the good will of the population, and that such actions severely damaged and impaired petitioners.

52. Without discovery of information maintained on petitioners under Executive Orders 12331 and 12333-34, including the State Department, PFIAB, all references to information exchanged between the Government and Train meeting participants, and actions based on that information, information which is exclusively held by the Government, and which has been repeatedly requested by petitioners and suppressed by the Government, the full extent of damage caused by this defamatory campaign and other similar actions against petitioners cannot be known.

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2. To cite but one example that emerged from sworn testimony in the Iran-Contra hearings, Jack Terrell, an opponent of the Contra effort, who worked to expose it, was subjected to a defamatory campaign centering on allegations that he intended to assassinate the President, and was involved in "active measures" on behalf of a foreign power against Oliver North, based upon an investigation by Project Democracy's private security apparatus. These false allegations generated a national FBI investigation of Terrell. CISPES, another organization opposing Reagan Administration Central American policies, was subjected to a national security investigation as a potential agent of a foreign power. (Exhibit EE.)