

# U.S. Labor Party: Cult Surrounded by Controversy

The following article is based on reporting by Howard Blum and Paul L. Montgomery and was written by Mr. Montgomery:

Last month in New Hampshire a mild-looking economic theorist named Lyndon H. LaRouche Jr. began his 1980 campaign for President of the United States, escorted by expressionless security men from the U.S. Labor Party, the cult-like organization he has created over the last decade.

Mr. LaRouche first gained attention during the 1968 Columbia University strike when he attracted students a generation younger than he and formed the National Caucus of Labor Committees. In the decade that followed, he has turned

First of two articles.

that organization and its political arm, the U.S. Labor Party, away from Marxism to the extreme right and — despite the presence of many Jewish members — to anti-Semitism. The organization no longer advocates a workers' state, and its members now dominate a multimillion-dollar-a-year business. According to charges by former party members in a pending lawsuit, the business channels money to Mr. LaRouche's U.S. Labor Party.

Along the way — according to former party members and, in some cases, to party publications, internal party records and law-enforcement officials — members of the party have initiated gang assaults at rivals' meetings, taken courses in the use of knives and rifles at an "anti-terrorist" school and produced private intelligence reports on anti-apartheid groups in the United States for the Bureau of State Security of South Africa.

The party has also brought members from its branches in West Germany and Mexico to a farm in upstate New York for training in guerrilla warfare, according to former party members who say they participated in the training.

For some, the U.S. Labor Party is one of many sects at the far fringe of American politics, unworthy of serious attention. But for opponents of the party who believe themselves the targets of systematic harassment, it is a menace that received 27 percent of the vote in a local election in Seattle and that should be closed off from its latest goal — getting matching Federal funds for Mr. LaRouche's Presidential campaign.

The 57-year-old Mr. LaRouche runs his operation from a closely guarded headquarters occupying the entire floor of an office building off Columbus Circle — at 304 West 58th Street. This year, through airport sales of its publications, fundraising drives among members and income from successful computer and printing companies, the U.S. Labor Party is expected to raise more than \$4 million for Mr. LaRouche's varied projects.

What follows is based on public records, on party documents and literature and on interviews with former members of the U.S. Labor Party, none of whom wanted to be named. Some said they feared for their lives, some said they feared harassment for themselves or their spouses still inside the party and some seemed embarrassed at what they now regarded as another life.

A New York Times inquiry into the activities of the 1,000-member core of the party, which is scattered among 37 listed offices in North America and 26 in Europe and Latin America, has found the following:

¶ Party members have a dominant role in three Manhattan companies that, according to informed estimates, together have revenues of perhaps \$5 million a year. The companies are the Computron Technologies Corporation, at 810 Seventh Avenue, a programming concern that includes Mobil Oil, Citibank, Bristol-Myers and A.T.&T. among its clients; World Composition Services, at 432 Park Avenue South, which has one of the most advanced computer typesetting complexes in the city and does work for the Ford Foundation and major publishers, and PMR Associates, at 205 West 27th Street, a job printing shop that produces the party's publications as well as outside work or high school newspapers.

According to an affidavit filed in a pending lawsuit by two former party



Associated Press

Lyndon H. LaRouche Jr., founder of the U.S. Labor Party and its Presidential candidate for 1980.

members against three individuals associated with the U.S. Labor Party, money from Computron goes, unreported, to the party. The unreported channeling of money from business to a political party is a potential violation of Federal campaign law.

Corporate officers from all three companies denied any links to the Labor Party and refused repeated request for interviews.

¶ Beginning in 1976, the party voluntarily transmitted "intelligence" reports on left-wing movements to the Federal Bureau of Investigation and local police departments. In 1977, the group attempted to commercialize its intelligence network. According to former members, reports on anti-apartheid groups were prepared for South Africa, student dissidents were investigated for the Shah of Iran's Savak, and the anti-nuclear movement was examined for power compa-

¶ Mr. LaRouche announces to the members several times a year that he is "targeted" for assassination by various conspirators. The latest, according to the candidate, include the Queen of England, "big-time Zionist mobsters," the Council on Foreign Relations, the Justice Department and Mossad, the Israeli security agency.

Recently, at least eight members of the party have undergone intensive training in "anti-terrorist" techniques at a camp in Powder Springs, Ga., that is operated by Mitchell L. WerBell 3d, an international arms dealer who has served as adviser to Latin American dictators, including Fulgencio Batista and Anastasio Somoza.

During World War II, Mr. WerBell was a guerrilla fighter for the Office of Strategic Services and he says he still has close ties to the Central Intelligence Agency. According to Mr. WerBell, the training at his camp — costing \$200 a day per person for six days — involves rifle, knife and pistol use for defense against assassination.

¶ Officers of the party exchange information nearly daily with Roy Frankhouser of Reading, Pa., who calls himself the Grand Dragon of the Ku Klux Klan in Pennsylvania and who has also been active in the American Nazi Party.

In 1975, Mr. Frankhouser was convicted in Federal court of conspiring to sell a half a ton of stolen dynamite and received five years probation. He has also marched on Fifth Avenue in a black Gestapo uniform. On a number of occasions, Mr. LaRouche has cited Mr. Frankhouser as a "high intelligence source."

¶ The party has founded "anti-drug coalitions" in a dozen states that are used as vehicles for spreading Mr. LaRouche's theories that British intelligence services and "Zionist drug runners" control the world's narcotics traffic.

¶ Another group set up by the U.S. Labor Party — the Fusion Energy Foundation, which advocates nuclear power — has been approved as a nonprofit organization by the Internal Revenue Service. All money gathered by party members in the field through the sale of the foundation's publications and through donations from utilities are included in the daily transfers of money to party headquarters. The foundation said in its 1978 tax return that no part of its income of \$103,897 was used for political purposes.

# The U.S. Labor Party: Changing Cult, From Left to Right,

## Surrounded by Controversy

The party encourages its members to take jobs outside the party to assist the group's private intelligence-gathering. For example, unknown to the Council on Foreign Relations, a secretary was an active member of the U.S. Labor Party. Among the secretary's duties last year was to attend the sessions of the Bilderberg Society, an exclusive organization of the world's industrial and foreign-policy elite that meets annually for confidential discussions of economic policy and world trends.

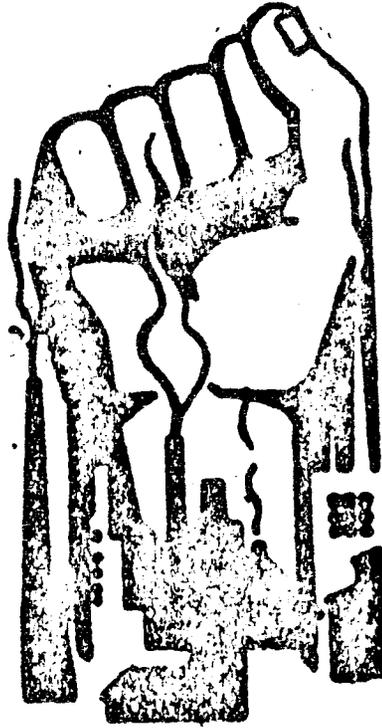
"I'm absolutely floored by this," said William P. Bundy, who employed the woman for part of her time at the council, when told of her party connection. "It's like the C.I.A. getting an agent into the Politburo."

Party leaders were offered an opportunity to respond to the findings, but they refused to meet with the reporters working on this article.

### Journalists Harassed

The party persistently harasses journalists and publications it regards as unfriendly. One Detroit freelance reporter who wrote of an investigation of the group found the next week that people living on his block had been sent a leaflet inviting them to a "Gay Coming Out Party" at his house.

The U.S. Labor Party also published a list of "terrorists" or potential assassins that it believes are a threat to it. In 1977, when Mr. LaRouche was in West Germany and believed himself to be a target of the Bader-Meinhof gang, the party's twice-weekly newspaper, *New Solidarity*, described more than 40 people, most of them journalists, as "witting participants in the Brzezinski bloodbath deployment." (Party members believe the President's national security adviser, Zbigniew Brzezinski, is the successor to Henry A. Kissinger as the chief conspirator against Mr. LaRouche in the United States.)



The party's symbol

In an accompanying article on what he called "Operation Counterterror," Mr. LaRouche said: "I am playing the game according to the following rule: My moves will be such that if a hit against me occurs, the evidence will be irrepressible and will lead my friends to rapidly bring down the Carter Administration and very highly placed forces in several countries presently complicit in international terrorism."

### Members Arrested

Over the years, members of the U.S. Labor Party and its predecessors have been arrested on a variety of criminal charges — kidnapping, possession of guns, assault — but there have been few convictions. The group began with professions of nonviolence and Mr. LaRouche still frequently espouses that cause, saying members act only in self-defense. Its involvement with weapons training and military-style maneuvers was known only to the inner circle of the leadership and those selected to participate.

According to former members and incidents described in party publications, a frequently used tactic — particularly when members are selling the group's literature or disrupting meetings of other organizations — is to try to incite violence through insults.

"Those guys are really maniacs," said one former member. "I've seen them. If you don't buy a paper, you're a pig or smell bad or they call you a Nazi. They get two inches from a person's face and cut them to pieces. They can get anybody to hit them in a second. They love it, getting bloody. They talk about it all the time."

When members do elicit a reaction, they file assault charges and include the incident in accounts of "assassination attempts."

The party has been the subject of surveillance and investigation by a number of law-enforcement bodies. The Federal Bureau of Investigation had an open file on the group for seven years, including use of at least two informants within the organization.

The case was closed by the F.B.I. in 1977 under new Federal guidelines prohibiting domestic political surveillance in the absence of evidence of specific illegal acts. Mr. LaRouche and the party have a lawsuit pending against the F.B.I. and have won a court order prohibiting the bureau from discussing the party with news reporters and also releasing 5,000 pages of F.B.I. documents about the group previously released under the Freedom of Information Act.

The party also has a suit pending against the Federal Election Commission. The commission denied Mr. LaRouche \$110,000 in Federal matching campaign funds in 1976, charging irregularities in the reporting of contributions. The group is again seeking Federal funds for 1980 and says it already has the necessary contributions from six of the required 20 states.

Members who have recently left the party say its full-time membership has been shrinking since its turn to the right and anti-Semitism about three years ago. These sources say the membership core of the party reached a high of 2,500 in 1975, compared with about 1,000 now. Despite the turn toward anti-Semitism, there are still many Jewish members of the group, including high-ranking members of its intelligence and security sections.

### Link Zionists and Nazis

Among statements that appear in party publications or in articles written by Mr. LaRouche are such as, "Zionist circles funded the founding and continuation of the American Nazi Party" and "Israel is ruled from London as a zombie-nation." The party's newspaper has printed that "only" a million Jews died in the Holocaust.

For those inside the sunless structure of the party, enclosed by rigid psychological and social strictures, life moves from crisis to crisis as Mr. LaRouche announces new plots of assassination or looming thermonuclear war. "Every few weeks there's a new reality, different from the one before but just as absolute," said a former member. "It seems like the system was designed so that people have no time to think."

Mr. LaRouche brooks no questioning of his revelations. "All previous reality is canceled," he once said in arguing one of his points.

Members of the U.S. Labor Party are expected to be neatly dressed and groomed. Men are clean-shaven, conservatively barbered and wear ties. In many cases, wives or the women who party members live with work full-time at outside jobs so their partners can devote full time to the party. Some officials get stipends for living expenses but most members are expected to support themselves.

### Members Take Out Loans

The former members say that all members' savings and possessions are at the service of the party. At least five members are known to have each given more

than \$100,000 of their own money to the party during their membership. Members routinely are asked to take out substantial loans and give the money to the party. The party makes the loan payments, but if the member quits, he remains responsible for the balance — an incentive for some to stay in.

Psychological pressures are great. Often party officials pick the person a member is to live with. If a member wants to leave the group, his partner is ordered to live apart from him. Mr. LaRouche has published his own psychological theories, including discussions of impotence, fear of homosexuality and degradation of women.

Mr. LaRouche's style is considerably less Spartan than that of his followers. He travels surrounded by aides and recently returned from Europe on the Concord. His apartment in the Riverdale section of the Bronx reportedly costs \$900 a month and, according to several former members who saw it, a guard with a shotgun is stationed just inside his front door.

The party's founder has conducted grueling encounter sessions to keep members in line. According to the accounts of former members, those who doubt Mr. LaRouche are summoned before a small group and grilled about their fears and guilt until they break down. Husbands or wives are asked about their partners' sexual practices.

In one case, former members said, a man was ordered by Mr. LaRouche to stop having sexual relations with his wife because he was becoming "politically impotent."

One woman who resigned from the group after several such sessions described them in a document circulated to members as "diabolical." She wrote that, under Mr. LaRouche's conduct of the sessions, high-ranking members were "transformed into sniveling informers vying for the leader's approval."

"I've seen them destroy people," said a former member who still shakes when she talks about her three years in the party. "They made me blow my guts in front of the whole group and then they used it against me. My mother came to see me and they ripped her up, screaming that she was a Lesbian and had castrated my father."

"Those people who are lifers, they're never coming out," the woman went on. "I look back and I see that a lot of people never got out of it. They became like a vacant lot."

*Tomorrow: The Party's Founder*

# One Man Leads U.S. Labor Party on Its Erratic Path

The following article is based on reporting by Howard Blum and Paul L. Montgomery and was written by Mr. Montgomery:

While the philosophy of the U.S. Labor Party has shifted dramatically over the last decade — from its roots in the left-wing student movement of the late 1960's to the cult-like right-wing political organization that it is today — one man has always been central to the party and its policy: its founder, Lyndon H. LaRouche Jr.

The 57-year-old Mr. LaRouche, the party's 1980 candidate for President of the United States, controls the activities of

Second of two articles.

the organization, which has 1,000 core members scattered among 37 listed offices in North America and 28 in Europe and Latin America.

According to former party members — and, in some cases, party literature, internal party documents and law enforcement officials — the party members, under Mr. LaRouche's leadership, have initiated gang assaults at rivals' meetings, taken courses in the use of knives and rifles at an "antiterrorist" school and produced private intelligence reports on antiapartheid groups in the United States for South Africa. Members have also been trained in guerrilla warfare at a farm in upstate New York.

## Federal Election Funds Sought

At present the party is preparing to spend on Mr. LaRouche's 1980 candidacy for the Presidency a large part of the \$4 million it is estimated to raise each year, and it is seeking Federal matching funds for the campaign.

Since the beginning of his campaign, Mr. LaRouche has altered his biography to eliminate references to such matters as his conscientious-objector status until near the end of World War II and his 30 years of leftist political work. He has also stopped using the pseudonym Lyn Mar-

cus or L. Marcus, by which he was known in his organizations before 1975.

Mr. LaRouche was born in Rochester, N.H., in 1922 and grew up in Lynn, Mass., where his father was a management consultant in the shoe industry. His mother, who died last year, ran a fundamentalist Quaker meeting in the Back Bay section of Boston.

From 1948 to 1963, Mr. LaRouche, then known as Marcus, was active in the Socialist Workers Party, a Trotskyite group. In the 1960's he appeared in various movements in New York as a management consultant. In 1969, a year after he formed the left-wing National Caucus of Labor Committees at Columbia University, the group and its 30 members were expelled from Students for a Democratic Society and set out on their own.

Until 1972, the group, known familiarly as the Labor Committee, was unnoticed, and its members were almost exclusively young people of upper middle-class back-

ground who believed that Mr. LaRouche's Marxist theories and attempts to organize workers during strikes and the like provided the best opportunity for socialism.

The Labor Committee began to undergo dramatic changes in the middle of 1972, when Mr. LaRouche's second wife left him for a young English member of the party living in London. Mr. LaRouche spent several months in West Germany and returned with what one former member described as a messianic vision. Whereas internal debate and discussion had previously characterized the Labor Committee, the leader began making dictatorial pronouncements. Those who disagreed were said to be either Central Intelligence Agency agents or afraid of their mothers.

Mr. LaRouche began forming ideas of a vast conspiracy against him, led by the Rockefeller family and anything having

to do with England. He spent much of his time in his bathrobe in his New York apartment, surrounded by a security force. Cartons of canned food, acquired for a "siege" lined the halls.

Upon his return to New York, Mr. LaRouche announced to the membership, without consultation with the party's executive committee, Operation Mop-Up. It was a two-month period of violence in March and April 1973, in which Labor Committee gangs attacked Communist Party members, disrupted meetings of many left-wing groups and attempted to intervene in strikes to assert Mr. LaRouche's "leadership" of the Left. According to former members, some participants carried guns and attempts were made to acquire a cache of weapons.

## Guerrilla and Terrorist Training

This was also a period of guerrilla and terrorist training, which began at a hunting lodge in Pennsylvania and was continued at a farm the group acquired near Salem, N.Y., according to former members who led and participated in this training. A report on the guerrilla training sessions was filed, according to a law-enforcement official, by a party member who was an informant for the Federal Bureau of Investigation.

Classes were given by Vietnam veterans and European members who had had military or Communist underground experience. According to several who participated, the techniques taught included garroting, knifing and booby trapping, small-unit maneuvers and the usual toils of boot camp.

According to former members, about 50 current members of the U.S. Labor Party have undergone aspects of the training.

Mr. LaRouche repudiated violence again in 1974 and has persistently denied that the training sessions took place, though the group has acknowledged giving courses in "unarmed self-defense."

## Weak Showing at the Polls

Around 1975 the party swung much of its effort to electoral politics. In Mr. LaRouche's 1976 Presidential campaign, for which the party claimed \$180,000 in expenses, he was on the ballot in 24 states and the District of Columbia and got 40,043 votes out of 80 million cast. Virginia provided the most votes with 7,506, followed by New York with 5,210, Massachusetts with 3,922 and Ohio with 4,335.

As it always does after electoral defeat, the party claimed voting frauds. A Committee for Fair Elections was established, and the party instituted lawsuits in New York, Ohio, Wisconsin and Pennsylvania.

Though the Republican National Committee declined to give blanket endorsement to the legal effort, individual Republicans associated with conservative causes took part or contributed funds. In Wisconsin, where the Republicans also were charging voting irregularities, the G.O.P. briefly joined the U.S. Labor Party action because it was the only state election fraud suit filed before the legal deadline.

The U.S. Labor Party has already raised more than \$100,000 for 1980 and has conducted fund raising appeals on television and in newspaper advertisements. According to statements filed with the Federal Election Commission, most of Mr. LaRouche's expenses are payments to various businesses that are dominated by party members. These include payments by the LaRouche for President Committee for research, services, rent at the headquarters at 304 West 58th Street and security.

## 'As American as Apple Pie'

In campaign appearances, Mr. LaRouche declares himself "the candidate who's as American as apple pie" and says he has declared war on liberalism. He promises lower taxes, higher incomes and a drug-free society, and he advocates nuclear power, a gold standard and accumulation of development capital through social credit. The attacks on alleged British and Zionist conspiracies that fill his party's publications are not mentioned.

Continued on Page B5

The party has been repudiated by many elements of the Right, including The National Review and the John Birch Society. A frequently cited suspicion is that the group harbors pro-Soviet beliefs. The New Right Report, a conservative newsletter, made this observation in January: "Many of the operations which bring in money to LaRouche cleverly conceal their origins in order to appeal to average American businessmen. We find this group every bit as weird as Marxist Rev. Jim Jones' Peoples Temple."

The party, however, continues in its attempts to get attention at conservative gatherings through leafletting, telephoning members, asking questions at forums and sending representatives of its publications to news conferences. One recent internal Labor Party document, headed "Put LaRouche in the National Lighthouse," advised organizing efforts at conventions of the Catholic Youth Organization, the Knights of Columbus and the Sons of Italy and made this analysis of the Catholic Daughters of America: "This group overlaps Daughters of the American Revolution membership but better, non-Anglophile. This is key to perhaps getting before the D.A.R. national convention in April 1980."

#### A Meeting With General

Maj. Gen. John K. Singlaub, who acquired a cachet with conservatives when he was forced into retirement after disagreeing publicly with the Carter Administration's military policies, had a brief contact with the party. He says the party approached him to request an opportunity to "brief" him on its program.

He met with two party officials at the home of Mitchell WerBell, an old friend, in Georgia. Mr. WerBell is an arms dealer and former member of the Office of Strategic Services who says he still has close ties to the C.I.A. He trains members of the Labor Party at his Georgia farm in what he described as "sophisticated anti-terrorist techniques." These techniques, according to Mr. WerBell, include karate, riflery and knife fighting.

General Singlaub says he has since rejected the organization. "It was so clear to me after the first three or four contacts that they wanted something from me," the general said. "They hounded me for months, they flooded me with documents, they showed up at places where I spoke."

"I think they're a bunch of kooks of the worst form," General Singlaub went on. "I've been telling WerBell that if they're not Marxists in disguise, they're the worst group of anti-Semitic Jews I've encountered. I'm really worried about these guys; they seem to get some people."

The general was asked if any mention was made in his talks of the possibility of a military coup in the United States — an idea that has recently received currency in the party as a way to put Mr. LaRouche in power.

#### Military Thrust Suggested

"Well, it didn't come up in that form, but it was suggested that the military ought to in some way lead the country out of its problems," General Singlaub replied. "I guess I stepped on them pretty hard on that, and it never came up again. It was one of the first things that made me realize they're a bunch of kooks."

The party's extensive activities and expensive communications — two 24-hour Telex and data lines to the party's headquarters in Weisbaden, West Germany, for example — led critics to suppose that there was some secret source of funds. The Left, knowing of the Operation Mop-Up period, thought — and in some cases still thinks — that money must come from the F.B.I. or the C.I.A., though there was no proof.

Foreign governments, such as the Soviet bloc or Iraq, have also been mentioned. Mr. LaRouche said in newspaper interviews in 1975 that he had expected to get money from Iraq for his activities but never did.

With the success of the party's covertly held businesses and Mr. LaRouche's public campaign drives, appeals to members for funds have declined. Fund raising now appears to be directed mainly to businessmen. One party activity, for example, is publication of a weekly economics magazine called Executive Intelligence Review, whose subscription price is \$400 a year. The review, in its brochure, says that rates will also be quoted for "special research reports and specialized confidential consultation."

#### Revenue From Publications

Much of the revenue for daily activities comes from sale of the publications by members — the party calls them "organizers" — at airports and shopping centers. Included in the offerings are Mr. LaRouche's analysis of Judaism as "a cult founded by the Babylonians" and a thick paperback book charging that Jews dominate the narcotics trade and Jewish bankers provide the capital.

Despite this literature, the party has many Jewish members who were originally recruited from the student movements of the late 1960's.

The party's anti-Semitic turn appears to date from one of its first right-wing contacts — a mass circulation newspaper called Spotlight, published by the Liberty Lobby. The Liberty Lobby has been engaged, as is the Labor Party, in lawsuits against the Anti-Defamation League of B'nai B'rith.

In its Oct. 11, 1976 issue, Spotlight printed a review of a Labor Party publication called "Carter and the Party of International Terrorism," which included computer "grids" prepared by Compu-tron of opponents of the party. Compu-tron is a multimillion-dollar computer systems business that was originally formed by Labor Party members, and many of the executive officers of the business still maintain close ties to the party.

The review of the Labor Party book was favorable: "Although few readers of Spotlight will agree with all of the judgments that this book contains, and many will also wonder why some of the major Zionist groups, such as the notorious Anti-Defamation League, are not included, it represents a massive job of research."

#### Swing to Anti-Semitism

Following that review, the Labor Party began to include Zionist groups and Jews in its analyses of conspiracies, and it also initiated an acrimonious campaign against the Anti-Defamation League. Among the party's efforts was the founding of an organization called "The Provisional Committee to Clean Up B'nai B'rith." The committee sought funds from the public.

Mr. LaRouche and the party insist that they are anti-Zionist, not anti-Semitic.

A number of former members of the

party were asked what kept their friends still tied to it. Some said it was political commitment, some the psychological influence of Mr. LaRouche, some cited the terror and disorientation that afflicts members who begin to doubt. Many members, having given up their families, their education and the society of their contemporaries, can find no other roots.

A young woman told about her lover whom she supported in his work for the party before both left. They had two friends with similar doubts, and the two women worked out a routine. They would give the men enough money to cover the cost of the Labor Party papers they were supposed to sell every day, so that the men would be free without risking the enmity of the group.

"They'd throw away the papers and go play pool or something," the young woman recalled. "Or sometimes they'd just go out to the airport and watch the planes take off, wishing they were on them."