

Federal Corruption

INSLAW

By Harry V. Martin

Copyright FreeAmerica and Harry V. Martin, 1995

EDITOR'S NOTE: When discussing the widespread corruption in the federal Bankruptcy Courts, it is difficult to focus on just the Northern California jurisdiction. This new series will focus on the extent of the corruption throughout the nation and its linkage to various courts.

When the U.S. Government sent Anthony Souza to Northern California to investigate what government officials called "the dirtiest system" in the United States, it was aware that the entire bankruptcy system is unraveling. Former LendVest Trustee Charles Duck was the main focal point of Souza's investigation-even though a local bankruptcy judge called him the most "honest man" he had ever known. Duck's ties to bankruptcy judges throughout the Bay Area is providing a picture of intense corruption going deep inside the law enforcement agencies. Even Souza admits privately that his hands are tied.

There has been one known murder in Northern California that has strong possible links to the bankruptcy system. There have been several more in Texas. This series will focus on different incidents from various parts of the country.

One of the most bizarre cases of corruption in the bankruptcy system involves a small Washington-based computer software firm called INSLAW. In 1982 the firm signed a three year contract for \$10 million with the U.S. Department of Justice. The software program INSLAW developed was a case-management computer program called PROMIS. The software, which was developed by Bill Hamilton, enabled the U.S. attorneys to keep track of information on cases, witnesses and defendants, and to manage their caseloads more effectively.

Though the U.S. Attorney's Office placed the PROMIS program into operation in several of its offices, it refused to pay Hamilton. Subsequently Hamilton was forced into the bankruptcy court. Former U.S. Attorney General

Elliot Richardson, representing Hamilton, advised him to sue the Justice Department for stealing his software.

Anthony Pasciuto, who was the deputy director of the Executive Office for U.S. Trustees, which oversees bankruptcy estates on behalf of the court, had stated that the Justice Department was improperly applying pressure on his office to convert INSLAW's Chapter 11 reorganization into a Chapter 7 liquidation, which would mean that all company assets, including the rights to PROMIS would be sold at auction.

U.S. Trustee Cornelius Blackshear corroborated Pasciuto's story. Two days after he was visited by Justice Department officials, Blackshear issued a sworn affidavit recanting his earlier testimony.

The Justice Department recommended that Pasciuto be fired. The memo seeking his dismissal reads "In actions, the Department would be in a much better litigation posture than it presently finds itself."

Federal Bankruptcy Judge George F. Bason, Jr., ruled in 1987 that the Justice Department had acted illegally in trying to put INSLAW out of business. Bason sent Edwin Meese a letter recommending that he designate an appropriate outside official to review the dispute because of the prima facie evidence of perjury by Justice Department officials, Meese did not respond.

Later that year after nearly three weeks of trial, Bason ruled in favor of INSLAW in its suit against the Justice Department. "The department (of Justice) took, converted, stole INSLAW's software by trickery, fraud and deceit," the judge stated, adding, "the Justice Department engaged in an outrageous, deceitful, fraudulent game of cat and mouse, demonstrating contempt for both the law and any principle of fair dealing." Judge Bason ordered the Justice Department to pay INSLAW \$6.8 million. Bason's verdict was upheld on appeal by U.S. District Court Judge William B. Bryant. Three months after Bason's ruling, he was denied re-appointment to the bankruptcy court.

Hamilton's trouble began when a friend of Meese attempted to buy out INSLAW, but Hamilton turned him down. In a court document, the potential buyer is quoted as saying, "We have ways of making you sell." It was after that the trouble for INSLAW began.

The Senate Permanent Subcommittee on investigations, chaired by Senator Sam Nunn, began an investigation into the INSLAW case. Once the inquiry got under way, the Senate Judiciary Committee's chief investigator, Ronald LeGrand, received a phone call from an unnamed senior officer at the Justice Department, a person LeGrand has known for years. The caller told LeGrand that the "INSLAW case was a lot dirtier for the Department of Justice than Watergate had been, both in its breadth and its depth."

The Nunn Committee completed its investigation and published its report. It recognized that INSLAW has been a victim of the system and stated that "the Justice Department had been uncooperative, refusing to allow witnesses to testify without representatives of the litigation division being present to advise them. The effect of their presence was to intimidate those who might otherwise have cooperated with the investigation." The report states, "The staff learned through various channels of a number of Department employees who desired to speak to the Subcommittee, but who chose not to out of fear for their jobs."

Congressman Jack Brooks of Texas has opened a new investigation into the INSLAW case. Brooks is investigating allegations that Justice Department officials, including Meese, conspired to force INSLAW into bankruptcy in order to deliver the firm's software to a rival company. The rival firm, according to court records and law enforcement officials, was headed by Earl W. Brian, a former Cabinet officer under then California Governor Ronald Reagan and a longtime friend of several high-ranking Republican officials. Meese had accepted a \$15,000 interest-free loan from Brian. Meese's wife was an investor in the rival company. This is the same company that allegedly sought to buy INSLAW from Hamilton and made the alleged threat.

What happened to PROMIS?

- * The program is in use throughout the nation and has been used also for military intelligence information. It has the ability to track troop movements.
- * An official of the Israeli government claims Brian sold the PROMIS program to Iraqi military intelligence at a meeting in Santiago, Chile. The software could have been used in the recent Persian Gulf War to track U.S. and allied troop movements. Ari Ben-Menashe, a 12

year veteran of Israeli intelligence, made the statement in a sworn affidavit to the court.

- * The software is now operative with the CIA, the National Security Agency, the Defense Intelligence Agency, and the U.S. Department of Justice. Only the Justice Department is authorized by the court to use the software.
- * Brian now claims he acquired the property rights to the software and consummated a sale to Israel, although he had allowed its use by the Israeli intelligence forces for as many as five years before the actual sale.

In essence, a small company in Washington developed a very sensitive computer program which the Justice Department obtained. The courts ruled in favor of the developer and the judge who made the ruling was never re-appointed. The software was acquired by a friend of Meese and the Justice Department has never paid for its use and has allowed other agencies the right of its use.

The bankruptcy court was a tool, as it appears to be with other jurisdictions, to support the economic gain of a few. Charles Duck was not alone, as the record will prove.

How the Justice Department used the bankruptcy court

By Harry V. Martin

Second of a New Series

Copyright Napa Sentinel, 1991

The corruption of the bankruptcy system is endemic of a political patronage system with its roots going back to former U.S. Attorney Edwin Meese, according to many former employees of the Department of Justice. The INSLAW case - reported last week in the Napa Sentinel - is a microcosm of the entire system.

As a result of the INSLAW cases, many heads in the Justice Department were lopped off. When Judge George Bason, a bankruptcy court judge, refused to liquidate INSLAW, ruling instead that the Department of Justice used

deceit, trickery and fraud, he was only one of four who were not re-appointed to their jobs. A total of 132 were re-appointed.

But to show the collusion of the Justice Department, when it removed Judge Bason from the bench after his ruling against them and for INSLAW, they had S. Martin Teel appointed to the bench to replace Bason. Who was Teel? He was a Department of Justice attorney who unsuccessfully argued the INSLAW case before Judge Bason.

Tony Pasciuto admitted that he was ordered to pressure the bankruptcy judge to rule against INSLAW. After being subpoenaed by INSLAW's attorney, Pasciuto was offered a long-awaited transfer by the Justice Department from Washington, D.C. to Albany, New York. Pasciuto bought a home in Albany and then changed his testimony. After the testimony was completed, the Justice Department cancelled his transfer. Pasciuto had to commute from Albany to Washington.

Former Attorney General Elliott Richardson made a list of the baffling questions of why the Justice Department wanted INSLAW declared insolvent and why it wouldn't pay a \$6.8 million settlement to the small company. INSLAW received an offer to sell their company and they refused. The buyer informed the company that he had powerful political influence and "We have ways of making you sell." Within 90 days of that threat, the Justice Department commenced its attack on INSLAW.

The company that made the attempt to buy INSLAW had financial connections to Meese and some of Meese's cronies. When the battle ended, INSLAW was broke, an attorney, a Justice Department whistle-blower and a judge were out to work, but INSLAW was saved by a corporate giant, IBM, who rescued the company virtually from the auction block.

The company that allegedly made the threat was Hadron. It has had brushes with the Security Exchange Commission, it has gone to the brink of being broke and one of its companies has been accused by the SEC of fraud and manipulation of stock prices, the company lost \$4.3 million in one year. It soon sunk \$12 million in the red.

But once Meese became Attorney General, Hadron suddenly received lucrative Pentagon contracts, along with the Agency for International Development. The company was also awarded a \$40 million contract from the Justice Department, despite protests against the bidding process. One member of

Hadron's board was Dr. Earl Brian, who was in Reagan's California cabinet along with Meese. Meese was chief of staff in California. The Deputy Attorney General was D. Lowell Jensen, who had competed against INSLAW years earlier. The person in charge of making Justice Department payments for INSLAW's software, and who didn't, was an employee who had been fired from INSLAW. Jensen was also in trouble when the Senate was investigating the Iran-Contra scandal. Apparently the Senate committee discovered a memo written by Jensen to the National Security Council warning that the Miami federal prosecutors were on Ollie North's trail. The memo revealed that the Justice Department, who was supposed to prosecute the Iran-Contra affair, actually was tipping off the government in advance.

One Justice Department official testified at the INSLAW hearing that INSLAW's software could be dangerous. Thomas Stanton testified 'INSLAW could besmirch the U.S. Trustee program.' The program is so sophisticated that it could trace all assets, track all trustees and judges. Another Justice Department employee stated that the U.S. Trustee program was flagrantly political. "It was a way of getting cronies into office. There would be 50 or 60 positions to be filled stated, "It was always puzzling to me how he got away with what he got away with. He'd do things that were blatantly wrong and no one would question him kind of scary."

The Meese program would concentrate too much power in one government department. "It's supposed to act as a watchdog over lawyers and trustees, but the problem is it's more. It has a considerable amount of power to control the administration of cases. When a case moves from bankruptcy to liquidation, the U.S. Trustees office names the trustee, who converts the assets, oversees the auction, and retains appraisers who will put a price tag on the leavings. The U.S. Trustee's program also links Justice and the IRS. The thing that's a little frightening about it is that the U.S. Trustee department sees itself as a part of the tax-collecting function of government. The Justice Department represents the IRS, and the IRS is often the biggest creditor in liquidation." states a leading bankruptcy attorney.

Bankruptcy, Justice scandal could equal Watergate

By Harry V. Martin

Third in a NEW SERIES

Copyright Napa Sentinel

As if things weren't getting hot enough for the federal bankruptcy court system, but now the INSLAW case is becoming another Watergate. INSLAW was a Washington, D. C., based computer firm that sold a highly technical tracking software program to the U.S. Department of Justice. Federal judges have upheld INSLAW's contention that the Justice Department, under Attorney General Edwin Meese, stole INSLAW's computer program.

A bankruptcy judge that made the ruling was not re-appointed to a 14-year term. Several Justice Department officials have since been fired or quit over the case.

Now a U.S. House Subcommittee is investigating the case and putting a lot of heat on the Justice Department. Attorney General Dick Thornburgh has been placed in an awkward position because of the case. Though he was not Attorney General at the time the INSLAW scandal broke, he was the man who investigated it and cleared the Justice Department of wrong doing.

Testimony has come forward that the Justice Department, under Meese, pressured the bankruptcy courts to declare INSLAW insolvent, forcing the company to release its assets, including the critical software. INSLAW was once threatened if it didn't sell its company to a close Meese associate. After the threat, INSLAW's life was made miserable by the Justice Department. When INSLAW sued the Justice Department it was awarded \$6.8 million. The judge who made the award was fired and replaced with a newly appointed judge- the man who prosecuted the case for the Justice Department. A second judge upheld the first judge's ruling.

The House subcommittee is accusing Thornburgh of stonewalling the Committee's request for hundreds of documents involved in the INSLAW case. Two years ago, the same stalling tactics by the Attorney General's office played havoc with a Senate investigation of the same problem. But Texas

Congressman Jack Brooks is putting the heat on the Justice Department to turn over its records on INSLAW, Brook's committee controls the purse strings of the Justice Department and has more clout than did the Senate Committee.

The protected software has been pirated to the Canadian government. Those who were found responsible for the pirating were close associates of Meese. "No sooner had the piracy been confirmed in Canada than an Israeli intelligence officer alleged that PROMIS (INSLAW's software program) was being used illegally by the CIA and other U.S. intelligence agencies," states James J. Kilpatrick in the March 15 edition of The Miami Herald.

After the re-appointment of the federal bankruptcy judge was halted because of his ruling on the INSLAW case, almost every bankruptcy judge that is handed the case declines to have anything to do with it. "Nobody wants to

touch the case," states Chief District Judge Aubrey Robinson.

According to Brooks, the Justice Department is now ready to turn over the documents, states the Legal Times of Washington, D.C. The scandal touches many high officials in the Justice Department or formerly associated with the Department.

They include:

- * Edwin Meese, former Attorney General.
- * Attorney General Richard Thornburgh.
- * Justice Department Watchdog Michael Sheheen, Jr.

* Gerald McDowell, chief of the Criminal Division's Public Integrity Section.

* Lawrence McWhorter, head of the Executive Office of the U.S. Attorney's Criminal Division.

* Bankruptcy Judge Cornelius Blackshear.

* North District of California Federal District Judge D. Lowell Jensen, who was a former Deputy Attorney General and once chief competitor to INSLAW in California.

The Brooks Committee has also learned that the Justice Department's computer system is "all botched up" and has also learned that there is a lot of sensitive data within the Department of Justice computer files that

is not secure. The INSLAW program was to organize everything and track cases all over the country.

The Justice Department is the prime law enforcement agency in the United States. A scandal there could rock the nation in a similar fashion as Watergate did during the Nixon Administration.

The Justice Department oversees the Federal Bankruptcy Court and the Trustee system. The Justice Department is investigating the Federal Bankruptcy Court and the Trustee System. The Justice Department has been caught using the Bankruptcy System for their own interest. In other words, the Justice Department is investigating the Justice Department's Bankruptcy System for potential wrongdoings by the Justice Department.

But is there really justice in this land?

Bankruptcy court examines software allegations against Justice Department
pirating

By Harry V. Martin

Fourth in a NEW SERIES

Copyright Napa Sentinel

If you own a VCR or rent or buy movies, you will be familiar with the warning that appears on your screen that the film you are viewing is protected by a copyright and that the Federal Bureau of Investigations or Interpol can arrest you for copying the film. The warning is to prevent "pirating" of someone else's copyrighted material.

But what's good for the goose is not always good for the gander. The United States Justice Department stands accused of pirating copyrighted material - having supplied it to the Canadian government, the Israeli government and Iraqi government the INSLAW computer software case has become. The case started out when the Justice Department bought PROMIS, a copyrighted software program that helps to track criminal cases throughout the United States. When friends and associates of then Attorney General Edwin Meese attempted to buy the software company, INSLAW turned them down and then life was made miserable for INSLAW. Within 90 days the Justice Department reneged on their contract with INSLAW and refused to pay for the software program, even though it was using it. The Justice Department is accused by federal judges of attempting to bankrupt INSLAW and then hasten the bankruptcy court to declare them insolvent. Instead, the courts ruled that the Justice Department used "fraud, deceit and trickery" against INSLAW and

awarded the small computer software company \$6.8 million in damages.

The case became deeper when friends of Meese began to sell the program to foreign military establishments and the Justice Department began to provide the copyrighted material to other U.S. government agencies. A man who was once fired from INSLAW was put in charge of INSLAW's payments - which were never forthcoming. Another Justice Department official, who is now a Federal Judge in Northern California, was a direct competitor to INSLAW in California. The Judge who made the \$6.8 million ruling lost his job. The attorney for the Justice Department who fought against the Judge's ruling was promoted to the Judge's vacant position. There have been wholesale changes and firings at the Justice Department over the INSLAW case.

The Justice Department is now under investigation by a House subcommittee and this committee is receiving many documents to support the premise that

the Justice Department has a skeleton in its closet that stinks greater than Watergate.

But new documents emerging in the case demonstrate a wider scandal. In an affidavit dated February 17, 1991, Ari Ben-Menashe describes his 12 year service for the Government of Israel in foreign intelligence and provides an eyewitness account of a presentation to an Israeli intelligence agency in 1987 in Tel Aviv, by Earl W. Brian of the United States.

Brian is a close associate of Meese from his California days. Brian and Meese were both in Ronald Reagan's California Cabinet when Reagan was governor.

According to Ben-Menashe's affidavit, Brian stated in his presence that he had acquired the property rights to the PROMIS computer software and that

as of 1987 "all U.S. intelligence agencies, including the Defense Intelligence Agency, the Central Intelligence Agency and the National Security Agency, were using the PROMIS computer software." Ben-Menashe further states in his affidavit that Brian consummated a sale of the PROMIS computer software to the Government of Israel in 1987.

He further claimed that Brian also sold the PROMIS computer software to Iraqi Military Intelligence. According to Ben-Menashe's affidavit, the Israeli intelligence officer learned of this sale from an eyewitness who helped Brian broker the sale in his office in Santiago, Chile, Carlos Carduen of Carduen Industries. Carduen has been a major supplier to the Government of Iraq with weapons and munitions.

The Federal Government of Canada has admitted that INSLAW's PROMIS software is currently operating in at least two federal departments, including the

Royal Canadian Mounted Police. The Mounties are using the program in 900 locations in Canada.

INSLAW never sold its software to Canada, Iraq, Israel, the Central Intelligence Agency or the National Security Agency. It also has not been paid by the Justice Department for its use, despite the \$6.8 million ruling in INSLAW's favor.

The Justice Department insists that the FBI is not using the PROMIS program. Yet FBI Director William Sessions and Deputy Assistant Director Kier Boyd, have made it clear that the FBI now is unable or unwilling to provide assurances that pirated software is not included in the case management information system used by FBI field offices.

And in a startling development, a man named Charles Hayes has asserted that

the U.S. government has pirated the PROMIS computer program. The Justice Department has sued Hayes in the U.S. District Court in Lexington, Kentucky, seeking to compel him to return copies of computer software left on equipment Hayes' salvage business purchased from the U.S. Attorney's Office in Lexington. Hayes has publicly claimed that the salvaged equipment contained pirated copies of INSLAW's PROMIS software.

One cover-up begets another cover-up? This is how Watergate spread.

Watergate, Iran, Contra, Saving & Loan Scandal, INSLAW Theft

Federal Bankruptcy Scandal, CIA Covert Operations

Did you ever wonder what the fathers of our country would think about it if they came back to visit today?

Key witness in INSLAW case arrested by Justice Department as predicted

By Harry V. Martin

Fifth in a NEW SERIES

Copyright Napa Sentinel

Within eight days of signing a damaging statement against the U.S. Justice Department in the INSLAW software case, a key witness against the government has been arrested and held without bail. Michael J. Riconosciuto was arrested Friday night and is being held without bail at Snohomish County jail in Everett, Washington.

Riconosciuto is being held without bail and no charges have been filed against him. He was arrested with two local men who had just sold him computer equipment for \$1000. The two were known drug users. Riconosciuto, according to jail officials, is being held for the U.S. Marshal's Office - not on any alleged local criminal violation.

Riconosciuto, and the two other persons, were arrested Friday night by more than a dozen U.S. Drug Enforcement Administration agents.

On March 21, Riconosciuto, a computer software technician, filed an affidavit in the INSLAW case. In February, Riconosciuto was called by a former Justice Department official and warned against cooperating with an investigation into the case by the House Judiciary Committee. The former Justice Department official is reported to have threatened Riconosciuto with criminal prosecution if he talked about the INSLAW case. The Justice

Department has been accused by a Federal bankruptcy Judge of stealing INSLAW's PROMIS software which has the capability of tracking criminal and military movements. According to sworn affidavits, Riconosciuto was allegedly told by U.S. Justice Department officials that if he did testify in the INSLAW case he would be criminally prosecuted in an unrelated savings and loan case and would suffer an unfavorable outcome in a child custody dispute.

The threat was made by telephone and a recording was made of the conversation, according to Riconosciuto. He indicated that two copies of the recorded telephone conversation were confiscated by federal agents when he was arrested. Riconosciuto told the St. Louis Post-Dispatch that at least one other copy remained in a secured location.

Riconosciuto's testimony, along with others, claims that the U.S. Justice

Department illegally distributed INSLAW's software to military and intelligence agencies in Iraq, Libya, South Korea, Singapore, Israel, Canada and other nations.

A Federal Judge ruled last week in Washington, D.C., that the INSLAW case be transferred from the Bankruptcy Court to the U.S. District Court.

During the early 1980s, Riconosciuto served as the Director of Research for a joint venture between the Wackenhut Corporation of Coral Gables, Florida and the Cabazon Band of Indians of Indio, California. The joint venture was located on the Cabazon reservation. The joint venture sought to develop and manufacture certain materials that are used in military and national security operations, and biological and chemical warfare weapons. The Cabazon Band of Indians are a sovereign nation and thus have immunity from U.S. regulations and stringent government controls.

The Wackenhut-Cabazon joint venture was intended to support the needs of a number of foreign governments and forces, including forces and governments in Central America and the Middle East. The Contras in Nicaragua represented one of the most important priorities for the joint venture. The joint venture maintained close liaison with certain elements of the U.S. Government, including representatives of intelligence, military and law enforcement agencies. Among the frequent visitors to the Wackenhut-Cabazon joint venture were Peter Videnicks of the U.S. Department of Justice and a close associate of Videnicks, Dr. Earl W. Brian, who served in the California cabinet of Governor Ronald Reagan and who has very close ties and business dealings with Meese.

In connection with Riconosciuto's work, he engaged in some software work in 1983 and 1984 on the PROMIS computer software product, developed by INSLAW but being used, without payment, by the U.S. Department of Justice. A

federal court has awarded INSLAW \$6.8 million against the U.S. Department of Justice.

According to Riconosciuto's court affidavit, Brian was spearheading the plan for the worldwide use of the PROMIS computer software, which was licensed and patented to INSLAW. "The purpose of the PROMIS software modifications that I made in 1983 and 1984 was to support a plan for the implementation of PROMIS in law enforcement and intelligence agencies worldwide." He said that some of the modifications that he made were specifically designed to facilitate the implementation of PROMIS within two agencies of the Government of Canada: the Royal Canadian Mounted Police and the Canadian Security and Intelligence Service. "Earl W. Brian would check with me from time to time to make certain that the work would be completed in time to satisfy the schedule for the RCMP and CSIS implementations of PROMIS." Brian, without permission from INSLAW, but acting with the U.S.

Department of Justice and U.S. Attorney General Edwin Meese, reportedly sold this version of PROMIS to the Government of Canada, according to Riconosciuto."

Riconosciuto predicted his own arrest eight days later. In his affidavit filed with the court on March 21, 1991, he states, "In February 1991, I had a telephone conversation with Peter Videnicks, then still employed by the U.S. Department of Justice. Videnicks attempted during this telephone conversation to persuade me not to cooperate with an independent investigation of the government's piracy of INSLAW's proprietary PROMIS software being conducted by the Committee on the Judiciary of the U.S. House of Representatives.

"Videnicks stated that I would be rewarded for a decision not to cooperate with the House Judiciary Committee investigation. Videnicks forecasted an

immediate and favorable resolution of a protracted child custody dispute being prosecuted against my wife by her former husband, if I were to decide not to cooperate with the House Judiciary Committee investigation.

"One punishment that Videnicks outlined was the future inclusion of me and my father in a criminal prosecution of certain business associates of mine in Orange County, California, in connection with the operation of a savings and loan institution in Orange County. By way of underscoring his power to influence such decisions at the U.S. Department of Justice, Videnicks informed me of the indictment of those business associates prior to the time when that indictment was unsealed and made public.

"Another punishment that Videnicks threatened should I cooperate with the House Judiciary Committee, is prosecution by the U.S. Department of Justice for perjury. Videnicks warned me that credible witnesses would come forward to contradict any damaging claims that I made in testimony before the House

Judiciary Committee, and that I would subsequently be prosecuted for perjury by the U.S. Department of Justice for my testimony before the House Judiciary Committee.

As predicted, after Riconosciuto's affidavit was filed with the court and reported in the St. Louis Post-Dispatch and Washington Post, he was arrested and is now being held without bail and with no charges.

The INSLAW case is becoming another Watergate and involves former Attorney General Edwin Meese, a federal judge, several high officials of the U.S. Department of Justice and even former White House aide Robert C. McFarlane, who transferred INSLAW software to Israel.

There are so many affidavits being filed in the case to verify wrong doing on the part of the Justice Department. Yet the Justice Department continues

to refuse to supply the House Judiciary Committee with any documents in the case. The Committee is now threatening to cut U.S. Department of Justice funding if they don't cooperate in supplying these documents.

House Judiciary investigators seek new declaration

By Harry V. Martin

Sixth in a NEW SERIES

Copyright Napa Sentinel, 1991

Congressional investigators have flown to Tacoma, Washington, to interview Michael Riconosciuto - a key witness in the INSLAW case. Riconosciuto provided a damaging statement against the U.S. Justice Department in the

stolen software case that potentially could become another Watergate.

Riconosciuto stated in his declaration that the U.S. Justice Department had threatened to have him arrested should he cooperate with the House Judiciary Committee investigation into the U.S. Justice Department's role in the INSLAW case. Two federal judges have ruled that the U.S. Justice Department stole INSLAW's PROMIS software and used "trickery and deceit" in the the case. One of those judges was not re-appointed to the bench after his ruling. The House Committee has already heard testimony that accuses the U.S. Justice Department of attempting to interfere with the courts in an effort to have INSLAW declared insolvent. Instead, the courts awarded INSLAW \$6.8 million in damages.

Within eight days of Riconosciuto's declaration he was arrested and held without bail. Drug Enforcement Agency agents made the arrest. On Wednesday

a Federal Grand Jury indicted Riconosciuto on one count of distribution of methanphetamines. He is still being held without bail. Whether or not the U.S. Department of Justice retaliated against Riconosciuto's willingness to testify before the U.S. House Judiciary Committee, the House investigators are questioning Riconosciuto at Kitsap County Correctional Center. One member of the investigation stated that the House Committee is deeply concerned with the timing of Riconosciuto's arrest, particularly after he signed an affidavit stating he was threatened with arrest if he did testify.

The Judiciary Committee is investigating allegations that top Justice Department officials under former Attorney General Edwin Meese engaged in a criminal conspiracy to steal software developed by INSLAW and then furnished it to other countries including, Iraq, Libya, South Korea, Israel and Canada.

Congressman Jack Brooks, chairman of the Committee, has accused the Justice Department of a cover-up by withholding more than 200 documents in the INSLAW case. A U.S. Bankruptcy judge ruled in 1987 that officials of the Justice Department stole the sensitive computer software, used to track criminals and also military movements, "through fraud, trickery and deceit". The ruling was later affirmed by another federal Judge.

Riconosciuto has a previous drug conviction for manufacturing PCP aboard a Seattle houseboat 18 years ago. Riconosciuto's declaration states that he was hired to modify INSLAW's PROMIS software so that it could be sold to Canada and other customers. During the time of modification, Riconosciuto was working on a joint venture with a private security firm and the Cabazon Indians in Indio, California. The joint venture also included military equipment and biological and chemical warfare weapons for use and/or sale

in Central America and the Middle East.

One Indian and two companions who were opposed to these operations and who alleged that tribal money was being filtered into foreign banks, were found slain execution style in Ranch Mirage. No one has been arrested in the case. The sister of one of the slain men reported the Indian ties with the Iran-Contra scandal and the software modification. That report was delivered to a New York television studio seven years ago. She is now preparing all of it in declaration form and supplying it to the U.S. House Judiciary Committee investigation.

In other related matters, another affidavit was filed in the INSLAW case which reports that a man bought U.S. Justice Department computers and court computers for salvage and found the pirated PROMIS software program in the surplus computer. The General Accounting Office has expressed grave concern

over the salvaged computers, noting that the U.S. Justice Department has sold surplus computers without first erasing sensitive information from the memory banks. "The error may have put some informants, witnesses and undercover agents in a 'life-and-death' situation," the GAO states. The data could include the names of government informants, federally protected witnesses and undercover agents, grand jury proceedings, sealed indictments, confidential FBI investigations and personal data about Justice Department employees. These computers were sold by the Justice Department for as little as \$45. The man in Lexington, Kentucky, who found the pirated PROMIS software in the U.S. Justice Department surplus computer also found sealed grand jury indictments.

Charles Hayes was the man who bought the equipment in July 1990 for \$45. He has now been sued by the U.S. Justice Department for the return of the computers, stating that the memory bank had not been erased. The U.S.

Justice Department did not go after Hayes until after he signed an affidavit about the protected PROMIS software. It is not certain whether the U.S. Justice Department wants the sensitive material back or they want the computers to block them from being used as evidence against them in the INSLAW case. Hayes did return the equipment. This was not an isolated case. Another U.S. Attorney Office notified federal agents that again sensitive data that could potentially identify agents and witnesses may have been lost.

Canadians begin probe on pirated software from Justice Department

By Harry V. Martin

Seventh in a NEW SERIES

Copyright Napa Sentinel, 1991

The growing INSLAW software theft is now reaching foreign proportions. While the U.S. House Judiciary Committee is investigating the theft of INSLAW's PROMIS software by the U.S. Justice Department, the Canadian Parliament will commence its own investigation.

Two agencies of the Canadian Government, the Royal Canadian Mounted Police (RCMP) and the Canadian Security and Intelligence Service (CSIS) - equivalent to the CIA - are using the pirated PROMIS software, allegedly supplied to them by Dr. Earl Brian, a close associate and financial partner of former U.S. Attorney General Edwin Meese and a former California cabinet officer under then Governor Ronald Reagan.

A Federal Bankruptcy judge - who was not re-appointed to the bench after

his ruling - said the U.S. Justice Department used trickery, fraud and deception in "stealing" the PROMIS software. The sophisticated software is used for tracking criminal and military activities. It was illegally sold to South Korea, Iraq, Israel, Canada and Libya by the United States.

According to an affidavit, the software was converted in a joint venture between Wackenhut Corporation of Coral Gables, Florida, and the Cabazon Band of Indians of Indio - an independent nation. The declaration by Michael J. Riconosciuto alleges that Dr. Brian was deeply involved in the joint venture. One Indian and two of his companions who objected to the joint venture - which also dealt with military weapons, biological and chemical warfare - were found murdered in execution style. That execution was reported on 20/20 by Barbara Walters and the CIA was named as the prime suspect in the case. The software was specifically modified for the Canadian government.

Riconosciuto stated in an affidavit he was warned by officials of the U.S. Justice Department that if he cooperated with the U.S. House Judiciary Committee he would be arrested. Eight days after he signed the affidavit he was arrested by more than a dozen Drug Enforcement Agency officers near Tacoma, Washington. He was held without bail for several days and then charged with a single drug count. Though arrested in the State of Washington, he was held without bail awaiting a federal marshal to pick him up.

He, along with several others, have stated in an affidavit to the court and to the U.S. House Judiciary Committee, that the PROMIS software was modified and sold to several countries, including Canada.

Late last week, Members of Parliament demanded that the Solicitor General

of Canada, Pierre Cadieux, appear before a parliamentary committee to answer charges the RCMP and CSIS are using stolen computer software. Cadieux's ministry is responsible for the RCMP and CSIS.

Though both the RCMP and the CSIS originally denied they are using PROMIS, court documents show a Canadian communications department official admitted last year that the RCMP was using PROMIS, although INSLAW never authorized its Canadian sale.

"Did CSIS and the RCMP use PROMIS software or modifications of it? If so, what were the circumstances of the acquisition? Was the software stolen, and if so, was the Canadian Government aware of it?" These are the questions Parliament wants to ask Cadieux. The Canadian Solicitor has indicated that the Government is already launching its own investigation into the pirated software scandal. Canadian officials are indicating that

the pirated software sales may have helped to illegally fund the Contras in Nicaragua. Contra funding and supplies was one of the most important aspects of the Cabazon-Wackenhut joint venture. Riconosciuto has had inside connections with the CIA and U.S. Justice Department and some testimony put forward states that he helped to launder \$40 million for the Bush-Quayle campaign, that report has not been substantiated by any more than one government source.

Brian is the owner of a holding company which has interests in the Financial News Network, United Press International and Hadron, Inc. Hadron was the company that was unsuccessful in buying out INSLAW, Affidavits on file with the court allege that Hadron, through Reagan cronies, attempted to force INSLAW out of business after it was awarded a \$10 million contract by the U.S. Justice Department.

The scandal involves Meese, Brian, former National Security Advisor Robert McFarland, several senior staff members at the U.S. Justice Department, and even federal judges. The Vancouver Sun, the leading newspaper in Western Canada, states, "The pirated software battle already has been compared to Watergate and the Iran-Contra scandal."

Murder of three Indians may be part of House probe on INSLAW case

By Harry V. Martin

Eighth in a NEW SERIES

Copyright Napa Sentinel, 1991

A security guard, who linked the CIA with the execution style murder of one

Indian and two other men who objected to the tribe's manufacturing of weapons, chemical and biological warfare devices and the conversion of INSLAW's sensitive software, fled to Sonoma and Lake counties right after the murders. The security guard's secret hiding places were sanctioned by the Riverside County District Attorney's Office and the state Department of Justice.

The security guard testified in a video-taped interview about the murders and named names. The video-taping was taken by the Riverside County District Attorney's Office after a Cabazon Indian and his two companions were found slain. The security guard's testimony to the DA's Office revealed that he was the bag man who carried \$10,000 from the Indian Reservation in Indio to the top of an aerial tram in Palm Springs. The \$10,000 was "hit" money. According to the testimony, several ex-Green Berets, then employed as firemen in the City of Chicago, executed the three

Indians.

Who paid for the executions? According to the testimony, a man who was once closely associated with Jimmy Hoffa and who then operated the Bingo Parlor on the Indian Reservation, provided the \$10,000 for the killing. The three slain men had raised serious objections to the Wackenhut-Cabazon joint venture. Wackenhut was involved as agents for the CIA to provide arms to the Contras and also to convert INSLAW's stolen PROMIS software for use by the Canadian Government. The Canadian Government has ordered an investigation into the pirated software scandal and the U.S. House Judiciary Committee is conducting its own investigation in what has been described as the U.S. Department of Justice's "trickery, deceit and theft" of the software. The U.S. Government has been connected with the illegal sale of the sensitive software to South Korea, Libya, Iraq, Israel and Canada, as well as being pirated by a number of U.S. agencies, including

the CIA, National Security Agency and other military units. The software is also in use by the FBI. Only the U.S. Justice Department was licensed to use the software, which tracks criminals and can be used for military tracking, as well. INSLAW was awarded \$6.8 million by two federal courts against the U.S. Justice Department.

The scandal has deepened considerably, especially since the testimony of Michael J. Riconosciuto, who worked closely with the Wackenhut company, and Dr. Earl Brian, a close aid and financial business associate of former U.S. Attorney General Edwin Meese and former California Cabinet official in the Ronald Reagan governorship. The scandal has caught several members of the U.S. Justice Department, the National Security Council, the federal bankruptcy court, and other government officials in a vice. Newspapers from Canada and the United States rate the INSLAW case equal to the Iran-Contra scandal and Watergate.

Riconosciuto provided an affidavit which compromised the U.S. Justice Department and covert CIA operations. The affidavit stated that Riconosciuto was warned by U.S. Justice Department officials that if he cooperated with the House Judiciary investigation of the INSLAW case, that he would be arrested. Within eight days of signing the affidavit, Riconosciuto was arrested in the State of Washington and held without bail. He was later charged with one count of distribution of methamphetamine, a crime that usually has a low bail. Riconosciuto was being held for U.S. Marshals. Investigators from the House Judiciary Committee interviewed Riconosciuto in a Tacoma jail last week.

Riconosciuto's mention of the Wackenhut-Cabazon joint venture, sparked more controversy. The House Judiciary Committee is now also reviewing information on the Indian murders.

The Sentinel was able to obtain an exclusive interview with people closely associated with the Cabazon nation and the murders. The security guard, who was the bag man, had just left the military service as an airborne ranger working on covert assignments. He was hired as a security guard for the Cabazon nation. Another man, a licensed investigator, was hired to question the security guard about what he knew. It was learned that a key Indian of the tribe was making strong objections to the laundering of money from the Bingo Parlor. The main antagonist was Fred Alvarez.

The security guard was given \$10,000 to give to a hit man in Palm Springs. He has subsequently video-taped his confession to the Riverside County District Attorney's office. Alvarez, in an exclusive interview with the Desert Sun, complained about the U.S. Government's abuses of the Indian nation. He told the Sun that people were going to kill him. Alvarez was

murdered in execution style after the interview.

The Riverside District Attorney's Office and the California Department of Justice commenced their separate investigation of the murders. A report was issued by the state linking the people behind the Cabazons with direct links to organized crime , a chief Mafia Family, the Gambino Family, and the CIA. The Cabazon reservation, however, is an independent nation. In video interviews, the security guard told how Wackenhut demonstrated new weapons with both the FBI and the CIA present. He also testified to the presence at these demonstrations of Dr. Earl Brian.

The man who paid the security guard \$10,000 was later convicted of attempted murder after five more Indians were shot to death. He was linked by law enforcement officials to organized crime and CIA covert operations.

The security guard testified that the Indio reservation was convenient for the U.S. Government because it was an independent nation and because it was close to the Mexican border, where arms were shipped enroute to the Contras. The security guards' testimony was so sensitive, that late one night the Riverside County District Attorney's Office arranged for an armed escort to get him off the reservation. He went to Sonoma and Lake counties, and then back to Southern California to work with the Department of Justice. He fled to New Mexico and now has left the country. He may return to testify before the House Judiciary Committee, though he is in fear of his life right now.

Like in the INSLAW case, those principles involved have fallen like flies. The first federal judge to rule in INSLAW's favor against the U.S. Justice Department was not re-appointed to another 14-year term. Many members of the U.S. Justice Department quit or were fired in direct relationship to

this case. The chief investigator for the Riverside County District Attorney's Office was later taken off the case and transferred to the Juvenile Division and then given early retirement. Shortly after his retirement, the DA investigator states that he was pulled off the road one day by a CIA agent and told to forget all about the "desert" if he wanted to enjoy his retirement.

The man who gave the money to the security guard for the murder, was also the same man who is reported to have been the trigger man in Chile in 1971, the target: President Salvador Allend**Figure 1.**

INSLAW case gets deeper and uncovers more 'bodies'

By Harry V. Martin

Ninth in a NEW SERIES

Copyright Napa Sentinel, 1991

When Michael J. Riconosciuto signed his affidavit implicating the U.S. Justice Department in the theft and pirating of INSLAW's PROMIS software, he opened a can of worms that may never go away. Riconosciuto revealed in his affidavit that the CIA, U.S. Justice Department and the FBI all had links to the Cabazon Indians and to John Phillip Nichols and that the Indian reservation in Indio, California, was linked directly to the Contras. Those links resulted in the death of many people.

Riconosciuto also warned in his affidavit that he was going to be arrested if he cooperated with a U.S. Congressional probe of the Justice Department involving the pirated software. Within eight days of signing the affidavit,

like clock work, Riconosciuto was arrested and held without bail for the U.S. Marshal. But not to be thwarted, investigators from the Congressional Judiciary Committee met and interviewed Riconosciuto.

Riconosciuto's statements, however, have sparked a new inquiry into the entire Wackenhut-Cabazon Indian joint venture and additional coverups by the U.S. Government over the stolen software, money laundering, Mafia ties and illegal shipments to the Contras. It was the U.S. Justice Department that warned Riconosciuto not to speak out. His statements have also launched an investigation into the pirated software by the Canadian Government, as well.

One Indian and two companions who protested against the manufacturing of military equipment, including chemical and biological warfare, the alteration of the PROMIS software, and shipments to the Contras, were

murdered execution style. The man who was used to transport the blood money from CIA operatives and the killers, has fled the country, but not before providing video taped testimony on the murders.

Implicated in the entire Wackenhut-Cabazon Justice Department affair, was a man called John Phillip Nichols. Nichols took over the Bingo Hall and later the reservation. The Cabazon Indians are an independent nation.

Nichols, who has been linked to Jimmy Hoffa and assassination attempts of Fidel Castro and Salvador Allend**Figure 1**, has strong Mafia ties. He has been convicted of soliciting murder.

Linda Streeter, the sister of Alfred Alvarez, the slain Indian, has asked the California Department of Justice to assign a special prosecution unit to investigate the case. The information on the murders has been forwarded

to the Congressional Judiciary Committee now probing the U.S. Justice Department.

The Riverside County Grand Jury and the Riverside County District Attorney's Office have extensive testimony on the murders.

Even 20/20 has done a segment on the Indian involvement and the murders. Nichols is the one who persuaded the U.S. Government to provide the Cabazon Indians with military and security equipment.

Nichols' ties are outlined on page 304 of Inside Job, the Looting of America's Savings and Loans by Stephen Pizzo, Mary Fricker and Paul Muolo.

"At San Marino Savings in Southern California we heard about a major borrower, G. Wayne Reeder (who also attempted a couple of failed ventures

with Herman Beebee), meeting in late 1981 at an arms demonstration with Raul Arana and Eden Pastora, Contra leaders who were considering buying military equipment from Reeder's Indian bingo-parlor partner, Dr. John Nichols. Among the equipment were night-vision goggles manufactured by Litton Industries and a light machine gun. Nichols, according to former Reeder employees and published accounts, had a plan in the early 1980's to build a munitions plant on the Cabazon Indian reservation near Palm Springs in partnership with Wackenhut, a Florida security firm. The plan fell through. Nichols was a self-described CIA veteran of assassination attempts against Castro in Cuba and Allend**Figure** in Chile. Authorities said he was a business associate of members of the Los Angeles Mafia. He was later convicted in an abortive murder-for-hire scheme and sentenced."

The intertwining mess of the U.S. Justice Department, FBI, CIA, former Attorney General Edwin Meese, Dr. Earl Brian, a former Reagan California

Cabinet member, the Federal Bankruptcy Courts demonstrates a broad stroke of corruption throughout the higher echelons of government. Today, a Congressional Committee is attempting to sort everything out, but a Senate Committee once tried the same thing and was totally thwarted when the U.S. Justice Department refused to cooperate.

We have, in the past year, examined the CIA-Contras-Nazi-Banking connections, the CIA-Justice Department-Bankruptcy Court connections, and the CIA-Mafia-Drug connections. It is a never ending story.

Conclusion of the INSLAW series

By Harry V. Martin

Conclusion of a NEW SERIES

Copyright Napa Sentinel, 1991

An Indian "uprising", government investigations by the U.S. Congress, Canadian and Australian Parliaments, international spying, software piracy, threats to witnesses, wholesale resignations at the U.S. Department of Justice, several murders, the arrest of a key witness, and the end of a long judicial career for one judge, this is the complex web of the INSLAW case that many governments are now indicating could become another Watergate.

It all began when associates of then Attorney General Edwin Meese and Dr. Earl Brian, a business associate of Meese and also a cabinet officer under Governor Ronald Reagan, attempted to buy a small computer software company called INSLAW. INSLAW had developed a highly sensitive program for tracking

criminals - the software was called PROMIS. INSLAW had signed a \$10 million contract with the U.S. Justice Department to develop the software under contract to them. INSLAW was not paid for the program and it was told that if it didn't sell the company it would have problems - it did. When insiders at the Justice Department blocked payments to INSLAW, those insiders included one fired employee of INSLAW and one former competitor of the firm - INSLAW was pushed into the bankruptcy courts. The Justice Department, according to evidence on file, pushed the bankruptcy court to declare INSLAW insolvent. Instead the Bankruptcy Court ruled that the Justice Department owed INSLAW \$6.8 million. The judge who made the ruling was removed from the bench.

Meanwhile, Dr. Brian, according to many affidavits from intelligence officials and former CIA and Justice Department operatives, sold the PROMIS software with modifications. Brian received the assistance of the Justice

Department and later the CIA in the sale of the pirated software. The conversion of the PROMIS software was done on the Indian reservation of the Cabazon Nation. John Phillip Nichols - who is an old time CIA operative linked with assassination attempts on both Fidel Castro of Cuba and Salvador Allende **Figure** of Chile, held control of the Cabazon Nation through a bingo casino. He also obtained contracts with Wackenhut to manufacture night vision goggles along with chemical and biological weapons.

Materials manufactured on the Cabazon Nation reservation were shipped to the Contras. Nichols was also closely associated with Mafia connections and Jimmy Hoffa, as well. Wackenhut has close ties with the CIA and Justice Department with such illuminaries as Former CIA Director Stanfield Turner in their employ. Wackenhut has approximately 80,000 employees and runs several jails and federal prisons. They have a "small army" of their own.

When one Indian and two of his companions protested against the use of the Nation, including the illegal pirating of INSLAW's software they were murdered in execution style. According to testimony on file with the Riverside County District Attorney's Office and the state Department of Justice, three ex-Green Berets who were then Chicago firemen, were hired to do the killing. Nichols was accused of the murders. After several other murders, Nichols was convicted of attempted murder for hire. On Saturday, April 20, the Indians staged their own "uprising", and "took" back their reservation from Nichols. The Tribal Council voted him out and placed the sister of the slain Indian in charge. However, after the vote was official, the reservation was swarming with uniformed and armed Wackenhut guards.

Michael Riconosciuto, a covert CIA operative, provided an affidavit to the U.S. Congressional Judiciary Committee investigating the Justice Department's role in the pirated software. He revealed the role Nichols was

playing with Cabazon Indians and how Dr. Brian was involved in the conversion of the PROMIS software. Riconosciuto stated in the affidavit that he was warned by Justice Department officials that if he testified before the Judiciary Committee or provided evidence, he would be arrested. Within eight days of his affidavit, Riconosciuto was arrested and held without bail in a Tacoma, Washington jail. Riconosciuto told the Sentinel on Friday in an exclusive interview from the Tacoma jail, that his 4-year-old son's life had been threatened and that he was facing two life sentences if he cooperated with the Congressional investigation.

Riconosciuto told the Sentinel that he would probably not testify in the INSLAW case in order to be freed from jail and protect his son's life. He did indicate, however, that he has supplied enough information to the Judicial Committee investigators to provide a host of new key witnesses to the pirating of the INSLAW software by the Justice Department. Riconosciuto

is a typical example of a CIA covert operator who is not being allowed to "leave" and who has too much inside "dirt" on the illegal operations of the CIA.

Riconosciuto's affidavit, however, sparked an uproar in Canada. Riconosciuto stated in the affidavit that the Indian reservation was used to alter the PROMIS software for use by the Canadian government. A Parliamentary inquiry is being launched into why and how Canada became involved in the purchase of pirated software from the U.S. Government. The software is being used by the Royal Canadian Mounted Police and the Canadian Intelligence Service.

In Australia, another uproar has been created over the pirated PROMIS software. There, the Government is claiming that the CIA is tapping into the computers of the Australian government. It may be possible that the

"alteration" done on the software at the Indian Reservation was to install an override password, so that the CIA could tap in to foreign government's intelligence system. The pirated software has been sold to Israel, Libya, Iraq, South Korea, Canada and Australia, there may be even more nations involved in the program.

Many members of the Justice Department have left since the INSLAW matter was exposed. A U.S. Senate Committee investigated the Justice Department but gave up its investigation when the Justice Department refused to surrender any documents. The Congressional Committee has threatened the funding of the Justice Department and the records have been promised, but not yet delivered. The Justice Department sent investigators to Tacoma immediately after Riconosciuto's arrest. The Committee expressed alarm over the arrest because it was predicted right in Riconosciuto's affidavit.

The INSLAW case is only being covered by a few newspapers throughout the United States, including the St. Louis Post Dispatch, Miami Herald, Washington Post, the San Francisco Chronicle (on occasion) and the Vancouver Sun. It has not made the wire services. Dr. Brian's company owns United Press International.

How will it go? Stay tuned!

Addendum 1

By Harry V. Martin

Copyright Napa Sentinel, 1991

June 18, 1991

EDITOR'S NOTE: The Napa Sentinel produced a lengthy series about the INSLAW case and alleged wrongdoings by the U.S. Department of Justice. This article and subsequent others will publish the details of a Congressional hearing into the matter.

The U.S. Department of Justice has refused to allow Congress access to INSLAW documents. INSLAW is a small computer software company that developed a sophisticated program to track criminals. The Justice Department was accused by a federal court judge of "deceit, trickery and theft" of the software, which has now found its way into the illegal possession of foreign governments and U.S. intelligence networks.

Congress has decided to investigate the INSLAW case and the Justice Department. The Justice Department, in turn, has arrogantly refused to

supply Congress with the documents. Since this refusal, the Justice Department has agreed to allow Congressional investigators to review screened documents. The investigators are not allowed to copy the material, but to make note of them and the Congress would then have to subpoena them. At which time, the Justice Department will decide whether or not to release them to Congress. Attorney General Richard Thornburgh, who refused to budge on the issue, has now resigned. The height of arrogance.

A Congressional Subcommittee on Economic and Commercial Law of the Committee on the Judiciary held hearings concerning the refusal of the Justice Department to cooperate. Congressman Jack Brooks of Texas, head of the committee investigating the Justice Department, stated that the Justice Department has denied the committee access to critical documents involving the Justice Department's dispute with the INSLAW Corp. "The documents were requested as part of an ongoing investigation of allegations that

high-level Department officials conspired to force INSLAW into bankruptcy and liquidate its assets. Further, it has been alleged that these officials also attempted to arrange to have the company's primary software product, called PROMIS, transferred or bought by a rival company." Brooks stated in his opening remarks, "As incredible as this sounds, Federal Bankruptcy Judge George Bason, who will be testifying later, has already found much of the first part of the allegation to be true. In his decision on the INSLAW bankruptcy, Judge Bason ruled that the Department 'took, converted and stole' INSLAW's proprietary software using 'trickery, fraud and deceit'. The judge also severely criticized the decisions by high-level Department officials to 'ignore the ethical improprieties' on the part of the Justice Department officials involved in the case."

Brooks backed up Bason's findings, in stating, "In November 1989, Senior District Court Judge William B. Bryant unequivocally supported Judge

Bason's findings and criticized the Department for attempting to escape accountability by asserting, among other things, 'sovereign immunity', whatever that is. I didn't think we had kings in this country." Brooks continued, "Despite the dramatic findings by the two courts, the Department has steadfastly denied any wrongdoing by its officials, claiming that its conflict with INSLAW is nothing more than a simple contract dispute. I find this position a little hard to swallow."

Brooks, who says the major controversy involves the highest levels of the Justice Department, including at least two assistant attorneys general, a deputy attorney general, and Attorney General Meese, himself, states, "Unfortunately, the Department has thwarted attempts by Congress to learn the complete truth concerning the INSLAW case. Justice has repeatedly denied both the House and Senate investigating committees access to critical documents that may prove the Department's innocence or guilt. As a

result, I am even more convinced that the allegations concerning INSLAW must be fully and independently investigated by the committee."

Former Attorney General Elliot Richardson has outlined the government's devious role, indicating that friends of Ronald Reagan and Edward Meese made every attempt possible to take over INSLAW and gain full proprietary rights to the PROMIS software. The man behind the move, according to Richardson, was Dr. Earl Brian, who also owns United Press International. Richardson was the Attorney General under Richard Nixon and refused to fire the Watergate Special Prosecutor on Nixon's orders, Richardson was also fired.

Richardson revealed that Meese's Justice Department needed to create a case management system designed along the concept of the PROMIS software. Meese's friends wanted the \$200 million contract and thus the need to buy

out or force INSLAW into bankruptcy. "We believe that these attempts to acquire control of PROMIS were linked by a conspiracy among friends of Attorney General Edwin Meese to take advantage of their relationship with him for the purpose of obtaining a lucrative contract for the automation of the Department's litigating division. Among the facts pointing to the existence of this conspiracy are the following:

- * Between 1958 and 1966, Edwin Meese and D. Lowell Jensen (then deputy attorney general) served together in Alameda County, California, District Attorney's Office. From 1966 to 1974, Meese was a key aide to Governor Ronald Reagan. From 1970 to 1975, Dr. Earl Brian served in Governor Reagan's Cabinet. In January 1981, Meese became Counsellor to President Reagan. In 1981 to 1982, Brian served in the White House as the chairman of a task force which reported to Meese.

- * When Meese joined the Reagan Administration, Brian was the controlling shareholder in Biotech Capital Corporation. Biotech controlled Hadron, Inc., a company which specialized in integrating computer-based information management systems. This was the company which tried to buy INSLAW.
- * Mrs. Meese bought stock in Biotech's first public offering with money borrowed from Edwin Thomas, soon to be an aide to her husband. Brian lent Thomas \$100,000 for the purchase of a house in Washington. Mrs. Meese later bought stock in American Cytogenetics, another Brian company.
- * In June, 1983, a DOJ "whistleblower" warned the staff of Senator Max Baucus that, as soon as Meese became Attorney General, unidentified friends of Meese would be awarded a "massive sweetheart contract" to

install PROMIS in every litigation office of DOJ. According to a statement made to Judge Jane Solomon of the Civil Court of the City of New York, Stanton's attempt to force INSLAW into liquidation was part of a 'conspiracy to get the INSLAW software'. Several high-level DOJ officials spoke of DOJ's determination to "get" or "bury" INSLAW. One DOJ employee said that Jensen was behind this effort. A second attributed the award to Hadron of a \$40 million computer services contract for litigation support in the Lands Division to the influence of a Deputy Assistant Attorney General with close ties to Meese. Other DOJ employees connected Meese, Brian, and Hadron with the harassment of INSLAW and the attempt to acquire PROMIS."

Richardson also testified, "In late April 1988, Richard LeGrand, chief investigator of the Senate Judiciary Committee, telephoned (William) Hamilton (owner of INSLAW). LeGrand said that he was calling at the request

of an unnamed senior official in DOJ whom he had known for 15 years and regarded as completely trustworthy. According to this official, the INSLAW case was 'a lot dirtier for the Department of Justice than Watergate had been, both in its breadth and depth'. The official asked LeGrand to inform the Hamiltons that the Justice Department had been compromised on the INSLAW case at every level, and that Jensen had engineered INSLAW's problems right from the start. The official also said that senior career officials in the Criminal Division knew all about this malfeasance, but would not disclose what they knew except in response to subpoena and under oath. LeGrand has since told the Hamiltons and others that his informant would come forward only if assured of protection against reprisal."

The Justice Department, according to Richardson, refused to undertake any type of criminal investigation. Richardson told Congress, "It was foreseeable that such an investigation would not only expose widely

ramified criminal conduct on the part of the Departmental employees, but also make the Department liable for punitive and consequential damages much larger than the \$6.8 million already awarded."

Judge Bason told Congress, "The judicial opinions that I rendered reflected my sense of moral outrage that, as the evidence showed and as I held, the Justice Department stole INSLAW's valuable property and tried to drive INSLAW out of business." He added, "Those opinions were upheld on appeal by Senior U.S. District Judge William Bryant. Very soon after I rendered those opinions my application for reappointment as bankruptcy judge was turned down. One of the Justice Department attorneys who had argued the INSLAW case before me was appointed in my stead." Over 90 percent of all bankruptcy judges seeking reappointment are usually returned to the bench.

"And I will punish the world for their evil, and the wicked for their

iniquity; and I will cause the arrogance of the proud to cease, and will lay low the haughtiness of the terrible.", Isaiah 13:11.

Addendum 2

By Harry V. Martin

Copyright Napa Sentinel, 1991

EDITOR'S NOTE: The Napa Sentinel produced a lengthy series about the INSLAW case and alleged wrongdoings by the U.S. Department of Justice. This article and subsequent others will publish the details of a Congressional hearing into the matter.

Federal Judge George F. Bason, Jr., ruled in favor of INSLAW against the

U.S. Department of Justice. He awarded INSLAW \$6.8 million and lambasted the Justice Department by stating he believed it was guilty of deceit, theft and trickery. The judge's decision was upheld in another court. Recently, a higher court has thrown the ruling out, not because it was right or wrong, but because of the technical question of jurisdiction.

After ruling against the Justice Department, Judge Bason was denied reappointment to the bench for another 14 years. "I have come to believe that my nonreappointment as bankruptcy judge was the result of improper influence from within the Justice Department which the current appointment process failed to prevent," Judge Bason stated to a Congressional hearing into the INSLAW matter. Ironically, the man who prosecuted the INSLAW case in Judge Bason's court for the Justice Department, was appointed to succeed the judge when he was not reappointed.

Judge Bason was the only bankruptcy judge for the District of Columbia from February 8, 1984 through February 7, 1988. He was the trial judge who heard the INSLAW case. "The judicial opinions that I rendered reflected my sense of moral outrage that, as the evidence showed and as I held, the Justice Department stole INSLAW's valuable property and tried to drive INSLAW out of business. Those opinions were upheld on appeal by Judge Bryant in a memorandum that noted my attention to detail and mastery of evidence," Judge Bason further told Congress. "Very soon after I rendered those opinions, my application for reappointment was turned down. One of the Justice Department attorneys who argued the INSLAW case before me was appointed in my stead. Although over 90 percent of the incumbent bankruptcy judges who sought reappointment were in fact reappointed, I was not among them."

Judge Bason told the Congressional hearing that Congress required equal

consideration to that given all other candidates must be given to incumbent bankruptcy judges. "Under that mandate, my qualifications were so far superior to my successor's that, on the merits, no rational person could have chosen him over me," the judge stated. "Merit must of course be judged both from the written record, my resume and opinions, and from my reputation amongst the judges and bankruptcy practitioners who knew me. My resume speaks for itself; my opinions have been cited often and reversed seldom; my successor had scant bankruptcy experience and, of course, no opinions. Despite a regulation requiring that at least one member of the Merit Selection Panel be "an attorney with a predominantly bankruptcy practice in the District of Columbia, so far as I know, no member of the panel had ever appeared even once in the Bankruptcy Court for the District of Columbia. Hence, no member of the panel had first-hand knowledge of my capabilities as a judge."

Judge Bason added, "The panel failed to interview District Court Chief Judge Aubrey Robinson, who exercises general supervisory authority over administrative aspects of the Bankruptcy Court and whose name I specifically suggested to the panel. Every year during my tenure, Chief Judge Robinson praised my performance as a bankruptcy judge. For example, in his May 1986 annual report to the D.C. Circuit Judicial Conference, he noted that despite 'increased case load...the Bankruptcy Court is basically current' because of Judge Bason's 'extraordinary efforts, perseverance and hard work'."

The panel also never notified Judge Bason of any adverse comments nor was he given any opportunity to address any adverse comments. "I have repeatedly sought and repeatedly been denied any official explanation why the decision not to reappoint me was made," he added. "A number of the district judge members of the Judicial Council, when they received the

Merit Selection Panel's report, were so dismayed at the panel's failure to recommend my reappointment that they caucused to see if there was anything they could do to reverse the process. They concluded that there was unfortunately no time left. When the chairmen of the bankruptcy committees of the two largest Bar Associations in the District of Columbia found out about the decision not to reappoint me, they too looked for ways to reverse the decision, and they too concluded there wasn't time."

In March 1987, Justice Department officials were talking with an important witness about the subject matter of his testimony. Then it developed the witness had recanted his testimony favorable to INSLAW. One of the Justice Department's lawyers apparently commented, "We've got to get rid of that judge (referring to Bason)." In May 1988, a news reporter with excellent contacts within the Justice Department states that the Justice Department could have procured Bason's removal. The reporter believes that the

chairperson of the Merit Selection Panel was approached privately and informally by one of her old and trusted friends from her days in the Justice Department. The friend is believed to have told her that Bason was mentally unbalanced, as evidenced by his unusually forceful "anti-government" opinions. Her persuasive powers coupled with the fact that other members of the panel or their law firms might appear before her as litigating attorneys may have caused the vote against the judge. The reporter later stated that a high Justice Department official had boasted to him that Bason's removal was because of his INSLAW rulings.

"If Justice Department officials were willing to steal from and try to liquidate INSLAW and then to lie about it under oath, there is every reason to believe they would not hesitate to do whatever was necessary and possible to remove from office the judge who first exposed their wrongdoing. I can no longer escape the conclusion that most knowledgeable

lawyers in Washington reached long ago. I would not have lost my job as bankruptcy judge but for my rulings in the INSLAW case. I have been told by legal search firms that I am now considered to be too controversial a figure to be employable by any of the large law firms. I am paying the full price for doing my duty to render equal justice without regard to rank or position. As a judge, I could not and would not do otherwise," Bason told Congress. "The independence of the judiciary and the separation of powers are among the glories of our form of government. It strikes at the heart of those principles for the Justice Department to retaliate against a judge by causing his removal. Such retaliation is the mark of a police state, not a democratic America."

INSLAW Addendum 3

By Harry V. Martin

Copyright Napa Sentinel, 1991

EDITOR'S NOTE: On March 12 through April 23, 1991, the Napa Sentinel published 11 articles involving the INSLAW case, the theft by the federal government of a sensitive software from a small computer company in Washington, D.C. The Sentinel, which was one of three newspapers to first print material on INSLAW, has presented several updates. This is one of those updates.

Two things don't seem to equate very well in this world, investigating the infamous INSLAW case and staying alive! There has been a series of deaths with direct association to the INSLAW case, most of them have been termed "suicides", but federal, state and local law enforcement agencies are beginning to take a second look at some of these cases.

It is known that one Indian leader of the Cabazon tribe and two other men were murdered in execution style several years ago. They were protesting against the virtual "take over" of the Indian nation in Riverside County by federal agents representing the Central Intelligence Agency and the Drug Enforcement Agency. Not only was the Indian tribe manufacturing night vision goggles and biological and chemical weapons for shipment to the Contras, but they were also involved in the modification of INSLAW's PROMIS software. The Riverside County District Attorney's Office is now reexamining the case.

In this particular case, there was sufficient evidence presented as to who was responsible for the murders, but no arrests or convictions occurred despite eyewitness testimony. The key witness, Jimmy Hughes, is now hiding in Central America. The man who helped him escape was interviewed by the

Sentinel several months ago. The key witness had been hiding in Sonoma County for a while. The witness states that the executions of the three men "were authorized and backed by a government covert operation".

The INSLAW case involves what a federal judge termed "theft, deception and deceit" on the part of the U.S. Justice Department, the judge was removed from the bench and blackballed in the Washington, D.C. legal society. The Justice Department had a contract with INSLAW to produce the PROMIS software, but the firm was never paid. Instead, efforts were made by friends of then Attorney General Edwin Meese to buy out INSLAW. When INSLAW refused, Peter Videnieks, who had direct links with Meese and Dr. Earl Brian, both former members of Ronald Reagan's "kitchen cabinet" in California, allegedly threatened INSLAW's owner, Bill Hamilton, that they had ways of getting the software. Why was the software so important? Meese had ordered a complete revamping of all Justice Department computers, a

multi-million contract. The award was to go to Dr. Brian, but the PROMIS software was a vital link to the successful bidder. Dr. Brian is alleged to have sold the software and had it converted for foreign intelligence agencies in Canada, South Korea, Australia, Israel, Libya and Iraq. An Israeli agent, Ari Ben-Menashe, and a former CIA computer expert, Michael Riconosciuto, have both testified to Dr. Brian's role.

Why did Dr. Brian get the computer contract? Meese's wife owned substantial stock in Dr. Brian's company and it is also alleged that Dr. Brian was being paid off for setting up the original meetings between the Iranians and the Reagan-Bush campaign team which may have led to the delay in the release of 52 American hostages until after the November 1980 Presidential election. A British Air Force officer who had allegedly witnessed Dr. Brian's sale of PROMIS software to Iraqi military intelligence in Santiago, Chile, was found hanged. His death was ruled suicide.

Riconosciuto provided his testimony to Congressman Jack Brooks, who was conducting a hearing into the INSLAW case. Riconosciuto warned that if he testified he would be arrested. Within eight days of his affidavit, he was arrested in Pierce County, Washington for allegedly owning a drug manufacturing plant. When Congressional investigators and the media continued to interview him he was shipped to Missouri then Oklahoma, and now is back in the State of Washington.

Dennis Eisman was an attorney from Philadelphia. He was scheduled to make a trip to the West Coast to meet with Riconosciuto and consider taking on his case. Eisman was found shot to death in his car. A single bullet wound to the chest. His death was ruled a suicide. Moments before he died, Eisman was enroute to a Philadelphia parking lot to meet with a woman who was to deliver critical evidence to substantiate Riconosciuto's claims about

threats from Videniks. Investigative Journalist Danny Casolaro was in communication with Eisman before he died.

Casolaro was found dead last month in a West Virginia hotel room. His wrists had been slashed 10 times. Not only was he declared a suicide, but he was embalmed and buried quickly before his family was even notified of his death. Casolaro was writing a book about the INSLAW case. He carried many files with him, files that were seen in his possession a day or two before he died. Those files are now missing and contain critical information on the INSLAW case. Casolaro was in West Virginia for a meeting with Videnieks and Dr. Brian, whom he intended to confront directly with evidence backing up the Riconosciuto story. Casolaro had received several death threats.

Between 1986 and 1989, nearly 30 people either died or disappeared under

mysterious circumstances, all of whom stood to reveal some crucial pieces of information concerning the INSLAW case and the Justice Department.

Anson Ng was found dead a month before Casolaro. He was working for the Financial Times of London and was in Guatemala. Ng had a single bullet wound in his chest, like Eisman. His death was ruled a suicide. Ng was in Central America attempting to interview Jimmy Hughes, who was the key witness to the murders associated with the Cabazon Indians and the INSLAW case. Hughes also holds documents that allege the same people involved with the Cabazon and INSLAW incidents had a hit list. The list were international names scheduled for assassination and included Swedish Prime Minister Olaf Palme, Schleswig-Holstein Prime Minister Uwe Barschel, Iranian arms dealer Cyrus Hashemi and Israeli counter-terrorist chief Amiran Nir. Many have died.

Allan Michael May pleaded with Riconosciuto to keep his mouth shut about his ties with the Iranian hostage deal. But Riconosciuto in an exclusive interview with the Napa Sentinel provided full details of the October Surprise and INSLAW ties and named May. Four days later May was found dead in his home. His death was listed as a heart attack, but a further autopsy revealed he had poly pharmaceuticals in his system.

Two weeks before Casolaro was found dead, John Friedrich was found dead in Sale, Australia. He was found with a single bullet wound to the head and his death was termed a suicide. Friedrich was a close ally of Colonel Oliver North and Amiram Nir. He had a lot of knowledge about the Iran-Contra and INSLAW cases. Nir died in plane crash in Mexico.

Now, Barry R. Kumnick is missing. A missing report was filed with the Los Angeles Police on Sunday. Kumnick had developed software which would give a

quantum leap to the PROMIS software. PROMIS tracks criminals, military movements or any type of personnel tracing. Kumnick's development would enhance PROMIS by adding a new dimension of deductions. The new program would allow the PROMIS software to interject personality characteristics and deduce the future or potential action of the person being traced.

Kumnick wrote to his sister in Idaho that his new program would be extremely dangerous if it got into the wrong hands. He was excited that the government had offered him \$25 million for the software but later, like INSLAW, reneged and forced Kumnick into bankruptcy. Kumnick has not been heard from since.

Five crates containing his personal belongs, crucial documents and even his passport, were discovered recently in a storage facility. No member of Kumnick's family has heard from him in six months. In contacting Kumnick's

known business partner, the partner tells the family he never heard of Kumnick.

Two things don't seem to equate very well in this world, investigating the infamous INSLAW case and staying alive!

INSLAW Addendum 4

By Harry V. Martin

Copyright Napa Sentinel, 1991

Another individual who was investigating the INSLAW case has been murdered. Thirty-four-year-old Alan D. Standorf was found dead at Washington National Airport, he died of a blow to the head. His body was found on the back

floor of his car, under a pile of luggage and personal items. Authorities believe Standorf was killed weeks earlier at another site.

Law enforcement officials are investigating the possibility that Standorf's murder might be linked with the death of investigative journalist Joseph Daniel Casolaro, who was found dead in a West Virginia hotel bathtub, his wrists had been slashed at least 10 times.

Standorf worked at a super-secret military listening post near Washington. He is suspected of being a key source of information to Casolaro. He worked at Vint Hill Farm, a military installation near Manassas, VA, that gathers electronic intelligence from spy satellites and other sources around the world.

Bill Turner, a defense industry whistleblower who met with Casolaro just

before his death, says that Casolaro indicted that his "key" source had dried-up. Turner believes Standorf was that key contact. Michael Riconosciuto, who has provided testimony to Congress about the INSLAW case, insists that Standorf was Casolaro's key informant.

Casolaro had gathered information linking the INSLAW case and the fraud ridden Bank of Credit and Commerce International together, along with other conspiracies within the savings and loan industry and the Iran-Contra scandal. It has also been learned that Casolaro was investigating links between INSLAW, the Cabazon Indians, Wackenhut Corporation, and the powerful Prime Merit Bank of Nevada. Casolaro was in West Virginia for a meeting with Peter Videnieks and Dr. Earl Brian, whom he intended to confront directly with evidence backing up the Riconosciuto story that the two were instrumental in the theft of the INSLAW software. Casolaro had received several death threats.

In the meantime, the mystery of Barry R. Kumnick, a brilliant computer engineer, widens. Kumnick, who invented a new artificial intelligence software that would dramatically enhance INSLAW's PROMIS software, has been missing for six months. All his belongings, including the working papers on his new software program, called Brainstorm, were found in five crates auctioned by a storage company.

A missing report was filed with the Los Angeles Police on Sunday. Kumnick had developed software which would give a quantum leap to the PROMIS software. PROMIS tracks criminals, military movements or any type of personnel tracing. Kumnick's development would enhance PROMIS by adding a new dimension of deductions. The new program would allow the PROMIS software to interject personality characteristics and deduce the future or potential actions of the person being traced.

Kumnick wrote to his sister in Idaho that his new program would be extremely dangerous if it got into the wrong hands. He was excited that the government had offered him \$25 million for the software but later, like INSLAW, reneged and forced Kumnick into bankruptcy. Kumnick has not been heard from since.

Five crates containing his personal belongings, crucial documents and even his passport, were discovered recently in a storage facility. No member of Kumnick's family has heard from him in six months. In contacting Kumnick's known business partner, the partner tells the family he never heard of Kumnick.

Kumnick was with the U.S. military maintaining the management of nuclear detonation systems. He worked with Northrop on the Command, Control,

Communication and Intelligence (C3I). He also worked on the source selection for the Navstar Satellite. He had a very high security clearance.

His software would enhance any tracking program, such as INSLAW, and establish an automatic deducing system. In the case of INSLAW, it could project the thoughts and characteristics of individuals (criminal or military) and forecast behavior or movement patterns. INSLAW was originally invented to track case loads for the U.S. Department of Justice. It was converted to be used by military intelligence agencies to track military movements, conditions and inventories.

The INSLAW case is still under Congressional investigation. The Justice Department has adamantly refused to cooperate with Congressman Jack Brook's Committee. One Justice Department official has told a Senate Committee investigator, that INSLAW is dirty and far deeper than Watergate ever was.

Death of a Journalist

By Harry V. Martin

Copyright, Napa Sentinel, 1991

Journalist Danny Casolaro had a tenacious, bull-dog approach to investigative journalism. He would research his subject and then have a face-to-face confrontation with that subject. There were no holds barred. That style of journalism may have cost him his life. Casolaro is one of many journalists, attorneys and investigators who have perished in their search for the truth about this nation, about clandestine government operations, private arms, drug dealers and the CIA.

Casolaro was found dead in a West Virginia hotel room. His wrists had been slashed 10 times. He was not only ruled a suicide, but his body was embalmed and buried before his family was even notified. But was it suicide? Too many deaths, too many suspicious circumstances lay challenge to that pronouncement. But this article is not about Danny's death, it is about his life. The Sentinel has received exclusive inside information on what Danny was doing before he died, who and what he was investigating and where he was receiving his information from.

Danny was writing a book - a book that would blow the socks off Washington. It began to connect the Bank of Credit and Commerce (BCCI) scandal with INSLAW, the Iran-Contra deals, Israeli-U.S. secret arrangements, misuse of Indian tribes, drug trafficking and murder all into one neat and sordid package. Before his death he thought he had cracked all the necessary mysteries to link what he called the Octopus of the American government.

Danny, at one time, worked with Jack Anderson, a nationally acclaimed Washington columnist. One of his key contacts was Alan D. Standorf. According to Danny, Standorf was a key supplier of documents that exposed the giant government scandal in banking, intelligence and underworld ties. Standorf was working in a very sensitive and secret communication center for the U.S. government. He could listen in or intercept message traffic from the intelligence community. Standorf supplied volumes of secret documents to Danny. High speed Xerox commercial duplicating and collating machinery was set up in the Hilton Hotel in room 900, to provide Danny copies of all documents and allow Standorf time to place the documents back in their original files. But then Danny lost his source; Standorf was found dead at Washington, D.C.'s National Airport - he died of a blow to the head. His body was found on the back floor of his car, under a pile of luggage and personal items.

Danny also had contact with Dennis Eisman and Michael Riconosciuto. Eisman, who was to represent Riconosciuto in a criminal trial, was in contact with Danny on a frequent basis. Riconosciuto is a key witness in the INSLAW case and on the October Surprise investigation, as well as Iran-Contra. Riconosciuto apparently was the key electronics man for the U.S. intelligence community. He was arrested eight days after providing Congress with testimony in the INSLAW case. Eisman is now dead with a single bullet wound to the chest; they say it was suicide, as well. Eisman was to have picked up critical information at a parking lot the day he was shot. That information was destined for Danny and Riconosciuto; but it never came to be.

Danny called the INSLAW case the Now that you know this stuff you will have to die,ny reported was the threat. He was also concerned with the IBM-Tel

Aviv connection which could link the use of INSLAW's PROMIS software to Israeli intelligence.

Danny was in contact with Bill Hamilton of INSLAW, and was scheduled to meet with Videnieks and Brian about the time he died. He had six file folders with him at all times. Just before his alleged meeting, he brought the folders home. In a search of his house, no documents were reported found. Those documents were seldom left behind by Danny.

Danny had conversations with Allan Michael May, a former Nixon campaign financial aide, who is alleged to have wired \$40 million to the Iranians in October 1980 as a down payment on the hostage

deal. May died in San Francisco four days after the Napa Sentinel reported his connections to the October Surprise. At first officials said he died of

a heart attack, but the autopsy report was changed to reflect May had polypharmaceuticals in his system. Danny was also working with Anson Ng of the Financial Times of London. Both were zeroing in on the Cabazon Indians-Inslaw-Iran-Contra links. Ng was found dead in Guatemala with a single bullet wound in his chest. Like Eisman, like Danny, the verdict was suicide.

Peter Zokosky had close liaison with Danny. Zokosky had direct dealings with the Cabazon Indians at the time the INSLAW software was being converted for Canadian intelligence and also knew about the manufacturing of chemical and biological weapons for the Contras, through the auspices of the Wackenhut Corporation and the Nichols family.

But some of Danny's documents will show such things as a bank in New England which has \$400 million in phony bearerbonds - used for collateral

because the bank's money has been siphoned off. Another will show multi-million dollar loans based on only thousands of dollars of collateral by another bank used to finance drug deals. Danny's Octopus was too large and in the end it ate him up...his records and his life forfeit.

Another Leg into the INSLAW Story

By Harry V. Martin<

P> The man who was a key source of information for investigative journalist Danny Casalaro, has been arrested and critical documents have been seized from his home.

William Richard Turner, the last known person to see Casalaro alive, was arrested this week and charged with bank robbery. Turner is a former

employee of Hughes Aircraft. He is reported to have met with Casalaro in a Sheraton Hotel parking lot and provided him with papers alleging corruption at a local defense plant, and also alleged fraud in the aerospace industry and within the ranks of the Defense Investigative Service, which oversees probes of the defense industry. The meeting took place hours before Casalaro was found dead in his hotel room, his wrists had been slashed 10 times. Turner had been fired from Hughes because of his whistleblowing.

Casalaro's body was immediately embalmed and buried before his family was notified of his death. The death was ruled to be a "suicide". Casalaro had received numerous threats on his life because of his investigations into INSLAW, the Cabazon Indian nation, mob-CIA connections, and the Bank of Commercial Credit (BCCD). Several other "suicides" have been reported associated with similar investigation efforts by other journalists and attorneys.

Turner was being followed by units of the Frederick County Sheriff's Office for his protection. He was aware of the tail. A Sheriff's unit pulled along side Turner's vehicle in a bank parking lot and informed him that someone had reported he was a suspect in the robbery of the Gore Branch of the Dominion Bank that morning.

Turner was not immediately arrested. He returned home and the Sheriff informed him he would need to speak to him on the next day. Turner voluntarily signed a waiver allowing authorities to search his home. The following day he was arrested and the FBI searched his home. They seized the copies of 40 to 50 documents which Turner had provided Casalaro. They seized notebooks with names and addresses in it, listing contacts that Casalaro had, phone message tapes, and all the files in his desk. All of Casalaro's documents, both in his hotel room and at his home, have not been

found.

Law enforcement officials indicate that television cameras in the bank show a person with similar characteristics of Turner. They claim to have a witness who saw Turner running from the bank.

Turner only has one leg.

FALL 1992

By Harry V. Martin

Certain high level U.S. Department of Justice officials and private individuals may have violated 12 different criminal laws, states a recently released report from Congress. Those crimes may include:

* Conspiracy to commit an offense.

* Officer or employee of the United States converting the property of another.

* Fraud.

* Wire fraud.

* Obstruction of proceedings before departments, agencies and committees.

* Tampering with a witness.

* Retaliation against a witness.

* Perjury.

* Interference with commerce by threats or violence.

* Racketeer Influenced and Corrupt Organizations.

* Transportation of stolen goods, securities, moneys.

* Receiving stolen goods.

These charges come from the U.S. House Committee on the Judiciary, chaired by Congressman Jack Brooks of Texas. The persons who the Committee indicates may have violated so many laws include:

* Former Attorney General Edwin Meese.

* U.S. Federal Judge Lowell Jensen (San Francisco).

* Former California Secretary of Health (in the Reagan governorship) Dr. Earl Bryan. (Bryan was also owner of United Press International.)

* Justice Department official C. Madison Brewer, project manager for software at the Justice Department.

* Justice Department Official Peter Videnieks.

The Committee report was released on September 10 involves the INSLAW case
The main media has remained silent about the final report, which many

consider to be bigger than Watergate. A special Grand Jury in Chicago has been impaneled to investigate the issue.

In March 1991, the Napa Sentinel was the first media on the West Coast to break the INSLAW story and conducted a thorough investigation of the case. At that time only the St. Louis Post Dispatch and the Washington Times carried articles on the case. The Congressional report parallels all the information the Sentinel published one-and-one-half years ago.

The case involves the misappropriation of sensitive computer software used to track criminal records and the witness protection program. The Justice Department was accused of "stealing" the software and selling it to various foreign countries including South Korea, Canada, Iraq, Israel and Australia.

The report documents allegations "that high level officials at the Department of Justice conspired to drive INSLAW into insolvency and steal the PROMIS software so it could be used by Dr. Earl Brian, a former associate and friend of then Attorney General Edwin Meese. Dr. Brian is a businessman and entrepreneur who owns or controls several businesses including Hadron, Inc., which has contracts with the Justice Department, CIA, and other agencies."

A Federal Judge ruled that the Department of Justice "acted willfully and fraudulently" and "took, converted and stole" INSLAW's Enhanced PROMIS by "trickery, fraud and deceit." The Judge who made that ruling was removed from the Bench under pressure from the Justice Department.

The Congressional report adds, "Suspicions of a Department of Justice conspiracy to steal INSLAW's PROMIS were fueled when Danny Casolaro, an

investigative writer inquiring into those issues, was found dead in a hotel room in Martinsburg, West Virginia, where he was to meet a source that he claimed was critical to his investigation. Mr. Casolaro's body was found on August 10, 1991, with his wrists slashed numerous times. Following a brief preliminary investigation by local authorities, Mr. Casolaro's death was ruled a suicide." The Brook's Committee sought more detail on Casolaro's death from the FBI and two former Federal Organized Crime Strike Force prosecutors in Los Angeles who had information bearing on the Casolaro case.

FBI Special Agent Thomas Gates stated this year to the Committee that Casolaro claimed he had found a link between the INSLAW matter, the activities taking place at the Cabazon Indian Reservation, and a Federal investigation in which Special Agents Gates had been involved regarding organized crime influence in the entertainment industry. "Special Agent

Gates stated that Mr. Casolaro had several conversations with Mr. Robert Booth Nichols in the weeks preceding his death. Mr. Nichols, according to documents submitted to a Federal court by the FBI, has ties with organized crime and the world of covert intelligence operations. When he learned of Mr. Casolaro's death, Special Agent Gates contacted the Martinsburg Police Department to inform them of the information he had concerning Mr. Nichols and Mr. Casolaro," the report states. "Based on the evidence collected by the committee, it appears that the path followed by Danny Casolaro in pursuing his investigation into the INSLAW matter brought him in contact with a number of dangerous individuals associated with organized crime and the world of covert intelligence operations. The suspicious circumstances surrounding his death had led some law enforcement professionals and others to believe that his death may not have been suicide. As long as the possibility exists that Danny Casolaro died as a result of his investigation into the INSLAW matter, it is imperative that further

investigation be conducted."

The Committee admits that the Justice Department was uncooperative in the investigation, including the possible destruction of missing documents key to the investigation.

The Sentinel series of articles paralleled the investigation of Casolaro, from the Cabazon Indian reservation's manufacturing of weapons for the Contras and the conversion of the PROMIS software and the murder of an Indian leader, to the Nichols' families ties to organized crime, the Bryan connection and the cover-ups. One of the many key sources the Sentinel used was Michael Riconosciuto, the same major source used by Casolaro. When Riconosciuto volunteered to testify before the Congressional Committee he warned that the Justice Department would arrest him. One week after his affidavit to Congressman Brooks Riconosciuto was arrested and has been in

jail ever since.

Riconosciuto is currently in Chicago testifying to the special Grand Jury on the INSLAW case.

The Congressional Committee states in its findings:

- * The Department ignored INSLAW's data rights to its enhanced version of its PROMIS software and misused its prosecutorial and litigative resources to legitimize and coverup its misdeeds.
- * Several witnesses, including former Attorney General Elliot Richardson, have provided testimony, sworn statements or affidavits linking high level Department officials to a conspiracy to steal INSLAW'S PROMIS software and secretly transfer PROMIS to Dr. Brian.

- * The reviews of the INSLAW matter by Congress were hampered by Department tactics designed to conceal many significant documents and otherwise interfere with an independent review.
- * The Justice Department continues to improperly use INSLAW's proprietary software in blatant disregard of the findings of two courts and well established property law.
- * Further investigation into the circumstances surrounding Daniel Casolaro's death is needed.
- * Several key documents subpoenaed by the committee on July 25, 1991, were reported missing or lost by the Department. It was impossible to ascertain how many documents or files were missing because the

Department did not have a complete index of the INSLAW material. The Department failed to conduct a formal investigation to determine whether the subpoenaed documents were stolen or "illegally destroyed".

The Congressional report totally supports the lengthy series the Sentinel commenced to publish in March 1991. In fact, no aspect of the Congressional report was overlooked in the Sentinel series, including suspicion about the death of Casolaro, and many areas not covered in the report were in the newspaper's series.

It Happened Right Here!

Wife of key witness in Justice scandal - INSLAW case - is arrested in Napa

By Harry V. Martin

Copyright, Napa Sentinel, 1992

The greatest argument Michael Riconosciuto had with his wife Bobbie, was over whether or not Riconosciuto should testify before Congress, a U.S. Bankruptcy Court and a Federal Grand Jury. Bobbie told Riconosciuto that his testimony would destroy their life, and she was right.

WHO IS Riconosciuto?

Riconosciuto was the computer expert for the Central Intelligence Agency, he was their Einstein. There was nothing he couldn't do with a computer, for good or for bad. But Riconosciuto had many secrets and he began to see the ruthlessness of his colleagues. Riconosciuto decided to testify about massive corruption in the U.S. Justice Department and the intelligence

agency. He agreed to provide his insider knowledge to the U.S. House Judiciary Committee investigating the INSLAW affair. He also gave his testimony to a Federal Bankruptcy Court which ruled that the Justice Department was deceitful, stole a \$6 million software package. The INSLAW case was considered by members of Congress and the Federal Bankruptcy Judge to be dirtier than "Watergate". In fact, the Judge was removed from the bench after 14 years because of his ruling against the Justice Department.

Riconosciuto, in providing his testimony, warned Congress and the Courts that he had been threatened should he testify he would be arrested and his wife would lose a custody battle involving her children by a former marriage. The threats were carried in the Washington Times, St. Louis Post Dispatch and the Napa Sentinel. Within a week of Riconosciuto's testimony he was arrested by Federal Agents. Even while under arrest, he was subpoenaed to testify before a U.S. Federal Grand Jury seated to hear the

INSLAW case. On Thursday, November 12, Riconosciuto made a declaration to the court. After the declaration was filed his wife, Bobbie, was arrested, in Napa. Bobbie was arrested on a Washington warrant, charged with custodial interference. The warrant was three years old and it actually may be invalid inasmuch as Bobbie was never subpoenaed to appear before a custody suit after a temporary order giving custody of their children to the father was overturned years ago. When Bobbie was arraigned on Friday, heavy security was on hand and everyone was subject to electronic and personal search, a very unusual step associated with such a minor charge. She was being held without bail. Bail was finally set at \$50,000. Bobbie had just delivered a letter to the Sentinel addressed to Congressman Jack Brooks and then a few minutes later she was arrested. Her arrest sparked interest with several national radio talk shows and some national media.

The federal agent who arrested Riconosciuto after his Congressional

declaration is the same agent who called the Napa County District Attorney's Office to have Bobbie arrested. The children voluntarily left with their father yesterday, but they indicated they felt it was only temporary.

After Riconosciuto's arrest, Bobbie went into hiding, she and her family had been threatened and their home broken into. Both Bobbie and Riconosciuto felt that the children were as much in danger as they were. Riconosciuto possessed the knowledge that could destroy powerful forces in and out of Washington. In an August 1992 report from the Brooks Committee in Congress, Riconosciuto is given high credibility for his testimony. The Congress, after reviewing the entire INSLAW case for nearly two years, asked for a Special Prosecutor. The Congressional report also was critical of the Justice Department's cover-ups, missing records and total lack of cooperation with Congressional requests and subpoenas.

HIS FIRST TESTIMONY

On March 21, 1992, Riconosciuto stated in an affidavit to the Court and Congress, and before he was arrested, the following:

- * During the 1980s he served as the Director of Research for a joint venture between the Wackenhut Corporation of Coral Gables, Florida, and the Cabazon Band of Indians of Indio, California. The joint venture was located on the Cabazon reservation.
- * The Wackenhut-Cabazon joint venture sought to develop and/or manufacture certain materials that are used in military and national security operations, including night vision goggles, machine guns, fuel-air explosives, and biological and chemical warfare weapons.,

- * The Cabazon Band of Indians are a sovereign nation. The sovereign immunity that is accorded the Cabazons as a consequence of this fact made it feasible to pursue on the reservation the development and/or manufacture of materials whose development or manufacture would be subject to stringent controls off the reservation. As a minority group, the Cabazon Indians also provided the Wackenhut Corporation with an enhanced ability to obtain federal contracts through the 8A Set Aside Program, and in connection with Government-owned contractor-operated (GOCO) facilities.

- * The Wackenhut-Cabazon joint venture was intended to support the needs of a number of foreign governments and forces, including forces and governments in Central America and the Middle East. The Contras in Nicaragua represented one of the most important priorities for the

joint venture.

- * The Wackenhut-Cabazon joint venture maintained close liaison with certain elements of the United States Government, including representatives of intelligence, military and law enforcement agencies.

- * Among the frequent visitors to the Wackenhut-Cabazon joint venture were Peter Videnieks of the U.S. Department of Justice in Washington, D.C., and a close associate of Videnieks by the name of Earl W. Brian. Brian is a private businessman who lives in Maryland and who has maintained close business ties with the U.S. intelligence community for many years.

- * In connection with my work for Wackenhut, I engaged in some software

development and modification work in 1983 and 1984 on the proprietary PROMIS computer software product. The copy of PROMIS on which I worked came from the U.S. Department of Justice. Earl W. Brian made it available to me through Wackenhut after acquiring it from Peter Videnieks, who was then a Department of Justice contracting official with responsibility for the PROMIS software. I perform the modifications to PROMIS in Indio, California, Silver Spring, Maryland, and Miami, Florida.

* The purpose of the PROMIS software modification that I made in 1983 and 1984 was to support a plan for the implementation of PROMIS in law enforcement and intelligence agencies worldwide. Earl W. Brian was spearheading the plan for this worldwide use of the PROMIS computer software.

- * Some of the modifications that I made were specifically designed to facilitate the implementation of PROMIS within two agencies of the Government of Canada: the Royal Canadian Mounted Police (RCMP) and the Canadian Security and Intelligence Service (CSIS). Earl W. Brian would check with me from time to time to make certain that the work would be completed in time to satisfy the schedule for the RCMP and CSIS implementations of PROMIS.
- * The propriety version of PROMIS, as modified by me, was, in fact implemented in both the RCMP and the CSIS in Canada. It was my understanding that Earl W. Brian had sold this version of PROMIS to the Government of Canada.
- * In February 1991, I had a telephone conversation with Peter Videnieks, then still employed by the U.S. Department of Justice. Videnieks

attempted during this telephone conversation to persuade me not to cooperate with an independent investigation of the government's piracy of INSLAW's proprietary PROMIS software being conducted by the Committee on the Judiciary of the U.S. House of Representatives.

- * Videnieks stated that I would be rewarded for a decision not to cooperate with the House Judiciary Committee investigation. Videnieks forecasted an immediate and favorable resolution of a protracted child custody dispute being prosecuted against my wife by her former husband, if I were to decide not to cooperate with the House Judiciary Committee investigation.
- * Videnieks also outlined specific punishments that I could expect to receive from the U.S. Department of Justice if I cooperated with the House Judiciary Committee's investigation.

* One punishment that Videnieks outlined was the future inclusion of me and my father in a criminal prosecution of certain business associates of mine in Orange County, California, in connection with the operation of a savings and loan institution in Orange County. By way of underscoring his power to influence such decisions at the U.S. Department of Justice, Videnieks informed me of the indictment of these business associates prior to the time when that indictment was unsealed and made public.

* Another punishment that Videnieks threatened against me if I cooperate with the House Judiciary Committee is prosecution by the U.S. Department of Justice for perjury. Videnieks warned me that credible witnesses would come forward to contradict any damaging claims that I made in testimony before the House Judiciary Committee, and that I

would subsequently be prosecuted for perjury by the U.S Department of Justice for my testimony before the House Judiciary Committee.

THREATS FULFILLED

Videnieks alleged threats came true, Riconoscuito was arrested, and Bobbie's former husband was given favorable treatment in the courts in her absence.

Bobbie's arrest was timely. Her husband filed a declaration with the Federal Grand Jury in Chicago in compliance with a subpoena to testify. He told the Grand Jury that he needed two customized DEC VAX 11-730 computers with the customized operating system media. This is equipment seized by the U.S. Government when Riconoscuito was arrested. The declaration of Riconoscuito was filed in the United States District Court for the Northern

District of Illinois Eastern Division (case No. 92 C 6217, Michael J. Riconosciuto, et al., Plaintiffs vs. Nicholas Bua, et al., Defendants.)

GRAND JURY STATEMENT

Riconosciuto told the Grand Jury that with the equipment he could produce information about various operations which developed extremely sensitive military applications from highly advanced technology, such as:

- * Electrostatic heat transfer, modified to enable ordinary and readily available electronic parts and hardware to transform ordinary and readily available explosives into devices capable of destruction of nuclear dimension.
- * Biotechnological weapons, including, but not limited to, lethal

monoclonal antibodies which are gene specific, e.g., able to distinguish between specific racial characteristics and cause painful, disastrous, lethal effects for only those individuals exposed to such antibodies whose cell structure contains the target genes.

- * Compact high voltage power supplies, intended to be used in various hi-tech weapons systems and development.
- * Advanced communications systems, e.g., spread spectrum data compression, which would enable current microwave transmissions to be 100 times more efficient and, under appropriate development, 100 times more deadly.
- * Advanced precious metals recovery systems essential to hi-tech weapons systems.

* Advanced infrared sensor technology, used in night vision goggles, missile surveillance and tracking, and in more sinister applications, saturation surveillance of all movements of all people in every open, visible space on the entire planet.

* Thermal imaging, enabling surveillance through fog.

* Bragg cell technology.

MILITARY CONTRACTS

Riconosciuto also told the Grand Jury the computer can prove that he worked on the following military contracts:

* Beacon technology.

* Threat emitter technology, which would enable the transmission of false images on radar scopes, e.g., airplanes could be made to appear to be birds, or vice versa.

* Fuel flow monitoring systems for the F-16 aircraft, enabling higher performance and better fuel optimization.

WACKENHUT INVOLVEMENT

He also told the Grand Jury that the computer would prove the duplicity and treasonous activity of certain officials of the Wackenhut Corporation, such as:

* Double-billing by Wackenhut officials on U.S. Army contracts at the Yuma, Arizona test site, during 1982 and 1983.

* The misappropriation or theft of highly advanced and lucrative technological developments during the period from 1980 to 1991.

* The brokering and facilitation of the transfer of embargoed technology to listed countries (i.e., countries prohibited from receiving embargoed technology, enemies of the people of the United States:

(a) Wackenhut would facilitate and broker said embargoed technology to countries, such as Chile, Brazil and Argentina, using military test sites as demonstration facilities.

(b) Officials of said countries would then, with full knowledge of

Wackenhut officials, transfer said embargoed technology to countries such as Iran, Iraq, Jordan, Syria, the Peoples' Republic of China, South Africa and Israel.

Riconosciuto further stated that the computer would prove the duplicity and treasonous activity of certain officials of First Intercontinental Development Company, a corporation cut-out (i.e., secret negotiating agent) for treasonous deals made through the White House, similar to the deals made through Wackenhut. He stated that one such deal was made with Iraq.

* Prior to Operation Desert Shield, the Iraqis obtained the latest fibre-optic command and control capability which enable them to have jam-resistant links from their military command center to the forward battle areas; possession by the Iraqis of said capability required an

accelerated manufacturing program of building 4000 pound bombs to eliminate said capability.

- * The Iraqis had also obtained the latest radio-jamming technology, which enable them to interdict communications of the allied forces; had the Iraqis not showed their hand during Operation Desert Shield, they would have been able to undermine critical communications during the first days of Operation Desert Storm, potentially causing a major military setback for the allied forces with the resultant loss of life and demoralization.

Riconosciuto testified that he was doing business with Thomsen CSF (a French conglomerate which developed the Exocet Missile), International Signals, Eaton Corporation, the Santa Barbara Research Division of Hughes Corporation, Dorn-Margolin, Texas Instruments, General Dynamics, Northrop,

Kures-Alterman, E-Systems and Reynolds Capacitor.

CIA MONEY LAUNDERING

With Riconosciuto's credentials acclaimed by Congress and the Grand Jury, he further stated that he facilitated the laundering of CIA funds via his expertise in manipulating electronic data transmission equipment. This included the transfer of funds which were involved in the October Surprise payment to the Ayatollah Khomeini's regime in Iran. He said he was also responsible for the manner in which caused the interdiction of funds from the sale of Red Chinese gold and the manner in which large sums of CIA funds were secreted and knowledge of where those funds are located.

"The information available on my computer equipment would also tend to prove and show that the above described treasonous deals are related to the

ongoing international scandals involving the Bank of Credit and Commerce International and the Banca Nazionale del Lavoro and that crucial features of said deals are centered in Chicago and involve the courts and prosecutors in Chicago," he stated.

THEN SHE WAS ARRESTED

After this explosive declaration was made public in the courts, Bobbie was arrested in Napa, where she has been for about ten months. Her children were registered in local schools and she was living in American Canyon at the time. Bobbie is still in jail awaiting an extradition hearing.

The Napa Valley Register ran an article on Friday indicating that a Roberta Peterson was arrested for custodial interference and that her husband was a federal prisoner. Little did the public in Napa know the impact and

national repercussions. Congressman Jack Brooks was notified. Neither the District Attorney's Office, Napa Police Department nor the Child Protective Services have knowledge of who Bobbie Riconosciuto (Peterson) is. Things like this never usually touch Napa, but they did Thursday.

The arrest of Bobbie on the eve of Riconosciuto's testimony to a Federal Grand Jury probing corruption in the U.S. Government may not be a mere coincidence.

Hard Decision

Napa judge must decide what to do with wife of a key federal witness

EXCLUSIVE REPORT

By Harry V. Martin

Copyright, Napa Sentinel, 1992

From the Halls of Congress, to the Cabazon Indian Reservation, to a Federal Grand Jury in Chicago, many eyes are focussed on what Napa Municipal Court Judge John Quigley will do.

Judge Quigley must decide whether or not Roberta Peterson Riconosciuto is extradited to the State of Washington. Riconosciuto was arrested in Napa on Thursday, November 12 near Vintage High School on an out-of-state warrant for custodial interference. It is a simple enough judicial case, if child custody were the real issue, but it isn't. The Judge reduced her bail from \$50,000 to \$7,500 and she was bailed out Monday from Napa County Jail. He also moved the hearing date to Monday, December 7, allowing her two weeks

to gather up her paper work.

Held without bail on November 12, Riconoscuito was later allowed to have bail, \$50,000 worth. The Napa County Probation Department this week has recommended bail be reduced to \$7500. Riconoscuito's first arraignment on November 13 was held under unusually strict security. A rumor had been circulated that a violent attempt would be made to rescue her. Rumor was also spread throughout the jail that Riconoscuito had severely beaten her child, because of that rumor Riconoscuito was locked up in protective custody. The inmates, however, later retracted their threats of harm to Riconoscuito when they learned the rumors were totally unfounded. Three of the Riconoscuito's children are now with their father and the other is with family friends.

Strangely enough, the Napa County Probation report indicates that the

Riconoscuito's children were well cared for, that the father knew at all times where Riconoscuito was located and that he is willing to return the children to her once she becomes settled. The report indicates Riconoscuito is no danger to the community.

Riconoscuito, the mother of four children, is caught in a national whirlwind that is drowning her and her children. She has been a key witness to the murder of an Indian leader of the Cabazon Tribe, and also has testified against law enforcement officials in the State of Washington. She has also cooperated with the F.B.I. on ritual child abuse issues in Washington.

Riconoscuito's husband, Michael, is currently in jail in Chicago waiting to testify before a Federal Grand Jury investigating one of the biggest scandals in the U.S. Justice Department History, what some judges and

congressmen refer to as "dirtier than Watergate". Michael has told the Sentinel this weekend that he will refuse to testify before the Grand Jury until his wife is safe. He does not have a problem with her being in Napa, but he fears her extradition to Washington.

There are two major facets to this very complicated case involving Riconosciuto and her husband. One is the domestic issue, itself, and the other involves government corruption at the highest levels including at least two murders.

The out-of-state warrant involves the domestic side of the issue. In 1987, Riconosciuto and her former husband Steve Peterson had a custody battle. A temporary court decree gave Peterson custody of their two children, but it was later revoked. On January 31, 1989, the Oregon State Police sided with Riconosciuto and refused to remove her children, despite Peterson's request

that they be picked up. Riconoscuito has never received any court documents taking custody of her children away. Suddenly, on November 12 she is arrested on a three year old warrant. Strangely enough, that warrant was allegedly issued on January 26, 1989 and the Oregon State Police did not find it to be legitimate five days later.

But more at stake for Riconoscuito was the question of alleged spousal abuse. Psychological records indicate that Peterson apparently severely beat his wife while she was pregnant and she almost lost the child. She fled to Texas after recovering in the hospital and later had the baby, almost losing her life in child birth. The children were also allegedly abused by Peterson. Riconoscuito fled for her safety and the safety of her children.

But even more complicating is the fact that Peterson's life-long friend

from boyhood is the prime suspect in the murder of three people in Southern California. Riconosciuto was called before the Riverside Grand Jury to testify in that case. F.B.I. records indicate that the murder suspect is a hired killer who has been paid to kill either Riconosciuto or her husband, an effort to prevent his critical testimony before the Grand Jury. Criminal records in the state Attorney General's Office also verify that both Riconosciuto and her husband are at risk and should be protected. But the federal government, deeply involved in the Justice Department scandal, has been able to block any Grand Jury indictments and thus Riconosciuto and her husband remain at risk without law enforcement protection.

The Napa County Human Services Department may have made a fatal error already, having released three children to Peterson. They are now in the State of Washington in his home, the children could be used as leverage to prevent Riconosciuto's husband from testifying to the Federal Grand Jury.

The testimony he supplied to the U.S. House Judicial Committee has been considered valid by the Congress. Riconosciuto's husband was the computer "whiz kid" of the CIA. Though the government fears his testimony, they need to keep him alive because he maintains critical computer codes in his head that would release billions of hidden dollars in CIA accounts all over the globe.

The Sentinel has also learned that a \$2900 airline ticket was purchased in the State of Washington under Riconosciuto's name. The airline ticket was for foreign travel. Based on this information, the warrant was pushed by the same federal agent that arrested her husband after her husband had testified to Congress on the INSLAW case. Riconosciuto was homeless at the time of the airline ticket purchase, she was living with friends in American Canyon and had just been released from the Martinez Hospital. She had no funds nor where-with-all to purchase \$2900 worth of airline tickets.

She has been living secretly in Napa for 10 months.

Despite the fact that she was in hiding, an "800" number had been supplied to her former husband so that he could keep in touch with the children. He never used the number, according to Riconosciuto.

The U.S. House Judiciary Committee is now aware of Riconosciuto's arrest. They apparently are stepping into her husband's case and he may be released from prison on trumped up drug charges by Christmas. What action the Congress will take to protect Riconosciuto is not known at this time.

Michael Riconosciuto was a computer expert for the Central Intelligence Agency, he was their Einstein. There was nothing he couldn't do with a computer, for good or for bad. But he had many secrets and he began to see the ruthlessness of his colleagues. Michael Riconosciuto decided to testify

about massive corruption in the U.S. Justice Department and the intelligence agency. He agreed to provide his insider knowledge to the U.S. House Judiciary Committee investigating the INSLAW affair. He also gave his testimony to a Federal Bankruptcy Court which ruled that the Justice Department was deceitful, stole a \$6 million software package. The INSLAW case was considered by members of Congress and the Federal Bankruptcy Judge to be dirtier than "Watergate". In fact, the Judge was removed from the bench after 14 years because of his ruling against the Justice Department.

Michael Riconosciuto, in providing his testimony, warned Congress and the Courts that he had been threatened should he testify he would be arrested and his wife would lose a custody battle involving her children by a former marriage. The threats were carried in the Washington Times, St. Louis Post Dispatch and the Napa Sentinel. Within a week of Riconosciuto's testimony he was arrested by Federal Agents. Even while under arrest, he was

subpoenaed to testify before a U.S. Federal Grand Jury seated to hear the INSLAW case. On Thursday, November 12, Michael Riconosciuto made a declaration to the court. After the declaration was filed his wife, Bobbie, was arrested, in Napa. Bobbie was arrested on a Washington warrant, charged with custodial interference. The warrant was three years old and it actually may be invalid inasmuch as Bobbie was never subpoenaed to appear before a custody suit after a temporary order giving custody of their children to the father was overturned years ago. When Bobbie was arraigned on Friday, heavy security was on hand and everyone was subject to electronic and personal search, a very unusual step associated with such a minor charge. She was being held without bail. Bail was finally set at \$50,000. Bobbie had just delivered a letter to the Sentinel addressed to Congressman Jack Brooks and then a few minutes later she was arrested. Her arrest sparked interest with several national radio talk shows and some national media.

The federal agent who arrested Michael Riconosciuto after his Congressional declaration is the same agent who called the Napa County District Attorney's Office to have Bobbie arrested. The children voluntarily left with their father yesterday, but they indicated they felt it was only temporary.

After Michael Riconosciuto's arrest, Bobbie went into hiding, she and her family had been threatened and their home broken into. Both Bobbie and Michael Riconosciuto felt that the children were as much in danger as they were. Michael Riconosciuto possessed the knowledge that could destroy powerful forces in and out of Washington. In an August 1992 report from the Brooks Committee in Congress, Michael Riconosciuto is given high credibility for his testimony. The Congress, after reviewing the entire INSLAW case for nearly two years, asked for a Special Prosecutor. The

Congressional report also was critical of the Justice Department's cover-ups, missing records and total lack of cooperation with Congressional requests and subpoenas.

Judge Quigley now has momentary control over the INSLAW case, something he has no knowledge about, but his decision could shape the direction of how the key witness testifies or doesn't testify. Yet, as a matter of pure law, Judge Quigley needs only to decide whether probable cause exists to extradite Riconosciuto in a domestic case. In the mean time, Michael Riconosciuto refused any further testimony to the Federal Grand Jury and refused to produce any further documents while his wife is under threat of extradition.

BOBBIE, Caught in the Middle

By Harry V. Martin

It has been four months since the arrest in Napa of Roberta Riconosciuto on a three-year-old State of Washington warrant for custodial interference. Riconosciuto was arrested on the eve of her husband's testimony to a specially convened Federal Grand Jury in Chicago investigating the Inslaw case. She was originally held without bail. Three of her four children were shipped off to their father without a formal court hearing.

On nearly a weekly basis, Riconosciuto appeared in Napa courts attempting to prevent her extradition to the State of Washington. It was in Mason County, Washington, that Riconosciuto testified in a child molestation scandal that saw the arrest of a member of the Sheriff's Department, the head of the County Republicans, and members of the court system. These individuals were closely associated with her ex-husband. Riconosciuto also

testified to a Riverside County (California) Grand Jury on the murder of a Cabazon Indian leader and two of his friends in execution style. The key suspect in that murder was her ex-husband's lifelong friend.

The procedures that the Napa court system had to apply to the case including a hearing identifying Riconosciuto as Roberta Peterson, her name when married in Mason County, Washington; and then a wait for the Governor of California to issue a warrant for her extradition. The long wait for the Governor's extradition order ended this week, it was issued. Under the warrant Riconosciuto should have been jailed immediately pending being transferred to the State of Washington. But Riconosciuto is still free today, and the Napa County District Attorney's Office is not very happy about it.

Riconosciuto filed a petition in the United States District Court for the

Northern California District. Riconoscuito's court action was to remove her case from the local courts and transfer it to federal jurisdiction.

Riconoscuito cited 28 USC 1441, which states, "Except as otherwise expressly provided by Act of Congress, any civil action brought in a State court of which the district court of the United States have original jurisdiction, may be removed by the defendant or the defendants, to the district court of the United States..." The law states that the Federal District Court "acquires jurisdiction as of the time of the filing of the petition in the federal court."

Riconoscuito states in her federal court document that her ex-husband, Steven Peterson "was involved in criminal activity, including, but not limited to, sexual abuse and the conspiracy to murder Fred Alvarez, a member of the Cabazon Indian Nation in Indio, California. That Riconoscuito was seeking to enter the California Witness Protection Program because (of)

her willingness to testify about the criminal activity of Peterson." The petition also alleges that Peterson beat Riconosciuto while she was pregnant, which had nearly caused a miscarriage and her own death, supported by separate affidavits. When Riconosciuto was providing such testimony in the past, she sought to have the affidavit sealed and made her allegation in camera (closed session) out of fear for her life and that the Mason County authorities placed her life in jeopardy by putting the affidavit into the public record.

The three year old warrant is based on an action taken when the courts gave custody of the children to the father without notifying Riconosciuto, she had already fled after the beating. The custody order was set aside, however. So another order was issued, this time not only providing the ex-husband with custody but also assigning real estate and insurance entitlements to her ex-husband.

Riconosciuto is claiming there is no valid warrant. On April 7, 1989, Riconosciuto's ex-husband stated he did not want custody of the children. Riconosciuto is charging that her arrest was a method to intimidate her present husband, Michael Riconosciuto. Michael Riconosciuto was scheduled to testify on November 18, 1992, before the Federal Grand Jury impaneled to investigate the Inslaw case. Roberta Riconosciuto was arrested in Napa on November 17, she had been residing here for nearly a year and her children were enrolled in local schools.

Riconosciuto is asking the Federal Court to grant a temporary restraining order against the extradition proceedings and release of her from any and all restrictions imposed on her liberty by State officials.

The Federal Grand Jury in Chicago is sitting on two sealed indictments,

awaiting instructions from the newly sworn in U.S. Attorney Janet Reno. The House Judiciary Committee, headed by Congressman Jack Brooks of Texas, has issued a preliminary report on the Inslaw case, and is withholding the final report. He has sought legislation to have Congress authorize the creation of a special prosecutor in the Inslaw case, at which time he is expected to turn over evidence and the report.

Brooks would not be seeking a special prosecutor unless he felt there was sufficient evidence of criminal action on the part of the U.S. Justice Department in the Inslaw case. Michael Riconosciuto's affidavit on the Inslaw case appears in the Congressional report and he was called to testify before the Grand Jury as well, his wife's arrest in Napa caused him to refuse to testify until she was safe.

On Monday, the Napa court will decide whether or not they have lost control

of the case, though under federal regulations, the local court may not have the jurisdiction to make that decision in the first place.

Bobbie, Extradition

By Harry V. Martin

The long ordeal in Napa has ended and a new one begins in Mason County, Washington for Roberta Riconosciuto. This week Riconosciuto was sent back to Napa County Jail awaiting extradition to the State of Washington. But there is still a possibility of Federal intervention.

Despite the fact that Riconosciuto had sought the protection of the Federal court system, the Napa courts ruled that despite legal rulings, it was not bound to vacate her case. Ironically, Riconosciuto was jailed one week

before a Federal court was to hear her petition to take over jurisdiction of the case.

Riconosciuto is asking the Federal Court to grant a temporary restraining order against the extradition proceedings and release her from any and all restrictions imposed on her liberty by State officials. However, by mid-week a Writ of Habeas Corpus had been filed in the U.S. District Court in San Francisco. The Writ seeks the immediate release of Riconosciuto and a transferring of the case from State court to Federal court.

The Writ charges that the Mason County arrest warrant was in "retaliation for her willingness to testify against certain criminal activity in which State (of Washington) officials were involved.

It has been four months since the arrest in Napa of Riconosciuto on a

three-year-old State of Washington warrant for custodial interference. Riconosciuto was arrested on the eve of her husband's testimony to a specially convened Federal Grand Jury in Chicago investigating the Inslaw case. She was originally held without bail. Three of her four children were shipped off to their father without a formal court hearing.

On nearly a weekly basis, Riconosciuto appeared in Napa courts attempting to prevent her extradition to the State of Washington. It was in Mason County, Washington, that Riconosciuto testified in a child molestation scandal that saw the arrest of a member of the Sheriff's Department, the head of the County Republicans, and members of the court system. These individuals were closely associated with her ex-husband. Riconosciuto also testified to a Riverside County (California) Grand Jury on the murder of a Cabazon Indian leader and two of his friends in execution style. The key suspect in that murder was her ex-husband's lifelong friend.

The procedures that the Napa court system had to apply to the case included a hearing identifying Riconoscuito as Roberta Peterson, her name when married in Mason County, Washington; and then a wait for the Governor of California to issue a warrant for her extradition. The long wait for the Governor's extradition order ended this week, it was issued. Under the warrant Riconoscuito should have been jailed immediately pending being transferred to the State of Washington. But the Napa court allowed Riconoscuito free for another week until the Napa County District Attorney's Office could prove to the court that Riconoscuito's case should remain in the jurisdiction of Napa and the State court system.

Riconoscuito filed a petition in the United States District Court for the Northern California District. Riconoscuito's court action was to remove her case from the local courts and transfer it to federal jurisdiction.

Riconosciuto cited 28 USC 1441, which states, "Except as otherwise expressly provided by Act of Congress, any civil action brought in a State court of which the district court of the United States have original jurisdiction, may be removed by the defendant or the defendants, to the district court of the United States..." The law states that the Federal District Court "acquires jurisdiction as of the time of the filing of the petition in the federal court."

Riconosciuto states in her federal court document that her ex-husband, Steven Peterson "was involved in criminal activity, including, but not limited to, sexual abuse and the conspiracy to murder Fred Alvarez, a member of the Cabazon Indian Nation in Indio, California. That Riconosciuto was seeking to enter the California Witness Protection Program because (of) her willingness to testify about the criminal activity of Peterson." The petition also alleges that Peterson beat Riconosciuto while she was

pregnant, which had nearly caused a miscarriage and her own death, supported by separate affidavits. When Riconoscuito was providing such testimony in the past, she sought to have the affidavit sealed and made her allegation in camera (closed session) out of fear for her life and that the Mason County authorities placed her life in jeopardy by putting the affidavit into the public record.

The three year old warrant is based on an action taken when the courts gave custody of the children to the father without notifying Riconoscuito, she had already fled after the beating. The custody order was set aside, however. So another order was issued, this time not only providing the ex-husband with custody but also assigning real estate and insurance entitlements to her ex-husband.

Riconoscuito is claiming there is no valid warrant. On April 7, 1989,

Riconoscuito's ex-husband stated he did not want custody of the children. Riconoscuito is charging that her arrest was a method to intimidate her present husband, Michael Riconoscuito. Michael Riconoscuito was scheduled to testify on November 18, 1992, before the Federal Grand Jury impaneled to investigate the Inslaw case. Roberta Riconoscuito was arrested in Napa on November 17, she had been residing here for nearly a year and her children were enrolled in local schools.

[Image] [Image]