

Through Politics

The Collapse of the Internal Balance of Power

By Carl Oglesby

I had to promise not to publish a transcript I was allowed to make of a recently tape-recorded phone conversation — monologue, really — handed me on a cassette the other day by someone I think I know. I hedged my promise not to. I said the tape might change my mind. The appeal of truth to be told might prove too much to resist. I reminded my source how often I renewed my vow not to be a keeper of anybody's Watergate secrets, and that my ethic, if that's what to call it, was the ethic of See All, Hear All, and Tell All, and that my source knew this well enough not to trust me, if that's what to call that, with something that really didn't want to be seen by the daylight. Because like the dirty old man that I basically am, I would flash it.

I found the tape interesting, though it turned out to have no new information on it at all. Its value lies more in the way the anonymous double-blind informant expects us to put known pieces together. We are being confronted by a new theory of Watergate. New, that is, for stalwarts of the major media who have so steadfastly resisted straying from the Ervin committee's straight and narrow conception of "the Watergate crime," and who still consistently decline concrete analysis in favor of impressionism.

A word about the Ervin committee's re-entrance. Its sorry treatment of the witnesses Hunt and Buchanan, but especially of the crucial Hunt, who has so much to hide and tell, its abject blood-curdling surrender before the implicit forces of Thou Shalt Not, its paralysis before any but the most orthodox lines of inquiry, its *fatigue* — what can this mean? Where is the comradeship of the spring? Did the summer not restore them? Has the research staff been alienated? Or is it that the Senators are filled with sudden dread at the abyss that they now see yawning like hell's mouth

dead ahead, the collapse of the internal balance of power?

In brief, as the tape will in its own way elucidate, if civil war is what threatens a population whose over-all political leadership system suddenly starts dividing in a power struggle that could easily become all out, then we must stand a good deal closer to civil war today than our good ancestors of 1855 or thereabouts. I will take the time to remind the faithful that that was the epoch of *Moby-Dick*, the American radical *Leviathan*, pre-critique of the tragedy of absolutist technological materialism, a tragedy suffusing the modern nation state system, and therefore young America, already in the time of Melville and Calhoun. For my money, *Moby-Dick* is contemporary political novel number one if you want to understand the full menace of the systems-analysis mentality, Kissinger's mentality, which sovereignly computes our affairs today, now. Ahab Nixon even has his *parases*, for what else are these agents of established crime so conspicuous now in the cotillion in which he dances, these shadowy links to the vaster than vast multibillion dollar power system based on gambling casinos and heroin in the Bahamas, Central America, and Las Vegas? Melville is talking in 1850 to the America of 1973 when he poses the question: Why cannot the crew of all races and nations rise up and put this mad captain in irons? How can so clear a madness rule everyone, even Ishmael and Queequeg, and be outlasted by only rolling seas?

 "Why the hell does Howard Hughes need help from a punk like me?"

The punk in question is only a voice on a tape to me; that of an urbane pedagogical man of middle age or younger. Sometimes another person, my source, asks a question.

"—Through Howard Hughes was a multibillionaire and one of the richest men in the world, he did not have the many multimillions required for TWA to buy the new planes. And scouting around he went to the Rockefeller's and the Chase, and they were perfectly willing to loan him the money. They could just float it off their books.

"—David Rockefeller put a clause into the loan agreement stipulating that in the event of unforeseen circumstances arising that would affect the profitability of TWA, Hughes and company would remove themselves from the active management of the company and the Rockefeller people would move in. This despite the fact that Hughes would continue to own 78% of the stock.

"—Rockefeller through his machinations did maneuver TWA into a box. The way he accomplished this is that unknown to Hughes one of the vice presidents of the Chase Manhattan Bank also happened to be the chairman of the federal regulatory agency over the airlines and another also set on the banking and currency operation. Between the two they maneuvered to strengthen other airlines and hurt TWA, so its profitability would drop.

"—Hughes had for a number of years been using the excess profits from Hughes Tool Co. to loan money to TWA, in effect financing himself, which is considered illegal. Rockefeller then pulled out his full array of powers, and after forcing TWA into a position where its profits were falling, he took Hughes to court. The judge was an appointee of a Rockefeller senator. And the judge ruled that under the terms of the loan he had signed with Rockefeller, despite the fact that Hughes was still 78 percent owner of the corporation, Rockefeller did in fact have the right to

take over TWA's operations.

"—Then to add insult to injury, Rockefeller forced him to sell his interest in TWA for \$436 million. He was badly beaten in that one. Then a few months later, after managing the new TWA for a while, Rockefeller operations instituted a new suit. It was a bizarre thing because in effect what they had done is that they had reviewed the books and they had filed a suit against Hughes as a person for mismanagement of TWA which quote hurt the stockholders. This is ridiculous because Hughes was the stockholders. But the judge ruled that he had to pay \$160 million in damages.

"—Then Rockefeller's people pushed their own operation all the way into TWA and were doing exactly what Hughes was doing with Hughes Tool Company, which was financing and paying money into TWA to make it go. The difference is that it's illegal for a tool company to function as a banker, whereas Chase Manhattan Bank is a banker. All right?

"—This is where they put Hughes into the box. And Hughes, in order to meet the many problems relating to this, including hanging on to Hughes Tool, went to certain underground bankers. That's how the Rockefeller people forced him into the hands of the mob.

Other voice: "When was this?"

"—Hang on, I've got a cross index. (Pages turning.) It was '67 or '68. It wasn't too long after Charles Percy's daughter Sharon married John D. Rockefeller IV. That's when the Percys really got their chunk of the Chase Manhattan Bank.

Other voice: "Was this after or prior to the time you mentioned about this nephew of Hughes going to Las Vegas for a leverage thing?"
 "—This was all simultaneous, all

wrapped up in the same package. It was the Hughes nephew who initially contacted me to see what I could do with my contacts to help his uncle. At first I thought he was joking. Why the hell does Howard Hughes need help from a punk like me? But he explained things. Said he was negotiating down there with a Nevada bank. He also went out to the Bank of America. He even went to Rome. He went to the Vatican to see what they could do with some of their Swiss accounts.

Other voice: "What is the tie-up with the Bahamas?"

"—After the Meyer Lansky Operation got thrown out of Cuba (Columbus of the July 26 Movement liberated Havana in January 1959), they shifted all their operations over into the Bahamas. And the Bahamas operation was such that once the Bay of Pigs fell through in April of 1961, and it seemed there was no way they could really get Cuba back, they made the necessary international moves required to change the Bahamas into a separate nation. (Summer of '72.) They structured themselves inside the banking industry down there in the Bahamas and the real estate and land companies in such a way that it will be the mob people who take over completely all posts in the government, democratic or not. Hughes is heavily involved in that. So is Vesco. And so is our president.

—Now this is all tied into a company that used to be known as Mary Carter

Paints, a front for Lansky interests in the Bahamas operating out of Tampa. That company got shifted and became known as Resorts International Inc. It also holds an international investigation firm known as Intertel, International Intelligence Ink, as a subsidiary. (Which Nixon tried in 1969 to integrate into the White House security force. It also works for Hughes.) This firm handles a lot of activity within the so-called community of intelligence networks, nationwide and worldwide.

"—The people who make up the management of Intertel are all people from the Justice Department who initially used to be the Task Force on Crime. So they laid down all the rules, regulations, guidelines, and techniques under which the Justice Department is supposed to attack organized crime. Then they stepped out, left a vacuum now filled by administrative bookends who are simply implementing those techniques and plans and systems that the older boys put in ten years ago. So they know exactly what the JD is going to use, and they just block it. For a consulting fee they sell this knowledge to organized crime. Beautiful. Other: "Do they have any connection with Western Enterprises?"

The Picture of Watergate

As promised, no big news in this. But taken as a timely reminder and integrated allows us to paint a very full picture of

Watergate. I reduce this picture to bare outline below so that at least in one dimension we can appreciate the immense span of the thing.

Imagine that the executive of the modern nation state is a committee acting in behalf of a specific coalition of interests, and not on behalf of a party or interest, except by inference, of a social class. In the case of the Nixon coalition, research appears to discover the following elements assembled. The Texans. The Southern Californians. (Is Disney money on Nixon?) The Greek junta and the shipping magnates behind it. Hughes. The Mafia. The Teamsters. Agribusiness. Mutual funds. Tidewater and domestic oil. Hunt. Getty. Las Vegas. Miami. Cuban exiles. The Bahamas. National police organizations. ITT. The Pentagon. Think of these as forming a board of directors with some allocation of votes per seat or per share, and conceive Nixon as merely a professional politician serving their combined will, without personal power beyond the executive power conferred upon him for purposes of practical administration.

Hughes appears to have been making his fatal deals with underworld banks at the same time he was also making direct overtures to Nixon. Indeed his offer to finance Nixon's '68 campaign in its entirety could hardly come at the same time he was falling under the power of the Mafia banking system without being somehow related to it.

It is a current rising speculation that

what happened in the semi-famous shootout at the Sands Hotel in Nevada in November 1970 — Hughes's post-Rockefeller headquarters — is that the Hughes empire, in its vulnerable position, fell to a power play backed by the same Mafia-Teamster combine which already had Hughes so deeply in debt. As a result of this, the Mafia-Teamster combine became in effect the Mafia-Teamster-Hughes combine. And this new amalgamation, coupled with who knows whatever other connotations of alignment and realignment resulted in an over-all shift of power within the Nixon coalition such that to an extent till then not paralleled, the presidency fell under the heavy influence, if not the outright control, of a cabal headed by organized crime.

It may have been this sudden lurch to the criminal (fascist) right within the Nixon group in November 1970 that precipitated what I conceive as the three countermoves against him from the Yankee CIA. First, most recently, the countermove of McCord, which blew the cover on the palace police and its significance. Second, before that, the countermove of Elsbetter, which blew the right wing fiction that the Vietnam war was Kennedy's and the CIA's baby. And third, before that, as I will argue in a succeeding installment, the countermove of Clifford Irving of "Hughes-hoax" fame, which might have blown the story of the links between Hughes, Nixon, and big crime in early '72, had it been permitted to succeed.



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