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Tues. Feb. 17, 1998

Dear Harold:

Will not send Ogilvie Waketh until further instructions. I am embarrassed to admit that I still need to send a copy to Paul Wurtzel. I meant to and it slipped my mind. Will see to it this week for sure. I have only two copies. Looks like you will see a third printing!

Just got back from Daytona. Larry my brother is getting stronger and walked, with a cane, half way out on the Daytona jetty. Dad is OK, too.

As far as a Cat hat, you have the ultimate hillbilly hat, the one Wrone got you from Rooster Run! I sent Webb one because sometimes it takes something a little offbeat to get someones' attention. Like oranges. I meant to send you some earlier, forgot about it. I have not heard from Webb, wonder if he got the stuff. I plan to call him and do a quick interview, string it to the local black paper. They might print it, they are sort of desperate for articles.

Book report. Barnes and Noble in Daytona had a copy of Never Again! and Case Open on the shelf. Bookland there had 3 copies of Case Open on shelf. I always check, but all were first printings. One of the Case Open's had a faded cover, wondered if it was in window or different printing.

I asked Daytona B & N if they had McKnight's, they said no, but "have 6 copies in warehouse in Colorado." It is good to ask, shows up in computer memory, modern inventory control.

About 2 years ago, I ordered a copy of Never Again from Books a Million in Louisville. But they never stocked it, until recently, when I found one on the shelf.

So, I am doing all I can for you and Jerry! Plan to do book review for Courier. My goal in life is for them to print one.

Good idea about case for exhibits. If you have any FBI memos that I should display, I will. Most of my stuff on ML King is on FBI anti-King campaign, not really assassination. If McKnight or you run across any you think I should use, send them.

I never heard back from Prof. Grundy, about donating Frame Up. Like Ann Landers says, common courtesy is not so common. I have always been grateful that you were so nice to me when I first contacted you. I hope I have been slightly helpful to you, I know you have helped me a lot.

There's an old show biz saying, "The bigger they are, the nicer they are." Not universally true, but I do know that when I was on the Concert Committee at UK, we had very little trouble from the big stars, the egomaniacs tended to be the New Stars. On assassinations, you are Mr. Big and also Mr. Nice.

Of course, now I have a big enough ego to argue with you! But you are a hard guy to beat in an argument.

On Clinton, I have never seen such a leaky grand jury. Or is the FBI leaking this? I tend to think the FBI would not leak much on a sitting President. Freeh may have his faults, but I think he is loyal and fair.

On naming National after Reagan, it must drive the air controllers crazy. At least he is not on Mt. Rushmore.

I'll try to get some of my foam boards together this week and send you photos. I think you are right, I need to be careful not to overwhelm people. Like a jury I must think simplistic.

That's about all. Like I told you, Unsolved Mysteries has been seen only once by me, on CBS. I think it has probably died a slow death. I thought it was a damn good show.

It is still rerun on cable. But I have never seen the Fox special on King rerun. Seems like it would have been, with all the recent controversy.

I have doubts about bombing Iraq. But diplomacy with Saddam. Like playing with yourself. Hate to see all the civilian and pilot casualties. Iraq will probably bomb Israel.

I saw Dino Brugioni on a show about spy planes. Sounds like he knows what he is talking about.

We had two feet of snow. I borrowed Larry's snowblower, did dad's drive, his elderly neighbor's, and Grandma. Did my own drive by hand. At 11:30 pm, our driveway was perfect. At 5am, had 6 inches and still coming down. Spent Friday and Saturday moving it again. Never made it to work Thurs. or Fri.

Thank goodness, it melted so we could go to DAYtona.

It was not too cold here. So snow did not last.

As far as cell phone, glad you got one. Betsy has one, she works in next county at prison, and across town at college. Safety.

A fishing buddy of mine, guide in Key West, had his life saved by one. Marine radio not hooked up, made one phone call and took 12 foot wave over bow. Floated in Gulf Stream with upside down boat for 5 hours, with 60 year old woman fisherman I also know. Had happy ending thanks to cell phone. I carry one on lake when I go out by myself. If I fell or broke down, in winter when lake is deserted, it could be a loooooong night! Be sure you know McKnight's phone number and others, maybe write down.
Best to Lil, Bill

Crusader Brought FBI Surveillance Into High

By BRIAN DUFFY

Staff Reporter of THE WALL STREET JOURNAL
 NEW YORK—For the people who recognize him on the street, James Kallstrom is inevitably associated with the explosion of TWA Flight 800.

It was Mr. Kallstrom who directed the Federal Bureau of Investigation's probe of the crash and who first raised the possibility of terrorist involvement, vowing to track down the "cowards" responsible. It was Mr. Kallstrom who enfolded families of the victims in his trademark bearlike embrace and promised that no effort would be spared to determine the cause of the tragedy. And it was Mr. Kallstrom, finally, who declared that the overwhelming bulk of the evidence pointed to catastrophic mechanical failure.

But on New Year's Eve, when Mr. Kallstrom stepped out of his corner office on the 28th floor of the Jacob Javits federal building in Manhattan for the last time, the Trans World Airlines investigation wasn't what most of Mr. Kallstrom's colleagues remembered as the highlight of his 27-year FBI career. Nor was it his cases against Mafia dons and foreign terrorists. More important, current and former colleagues said, Mr. Kallstrom pushed the bureau aggressively to devise and adopt new methods of conducting electronic surveillance, methods that are only just now being put into broad use.

"Jim Kallstrom was one of the first persons in the FBI to warn that emerging telephone technologies could cripple use of court-authorized electronic surveillance, unless steps were taken to ensure continued use of the most essential tool needed to protect the public from violent crime, drug trafficking, organized crime, terrorism and espionage," FBI Director Louis Freeh said in a statement.

Legislation Mr. Kallstrom helped draft to provide law-enforcement agencies access to new telephone switching systems became the subject of a pitched battle on Capitol Hill in recent months. Lobbyists for phone companies decried the measure as onerous and expensive. Messrs. Kallstrom and Freeh, along with other senior law enforcement officials countered that they couldn't do their job without them.

Eventually, Congress agreed to pay phone companies a total of \$500 million, as reimbursement for expenses related to implementing the legislation, which was signed into law in 1994. So far Congress has appropriated only \$100 million of that, with the balance to come over the next several years.

But the controversy over this legacy hasn't ended. While the law doesn't give the FBI new authority to conduct wiretaps, civil libertarians in Congress are raising questions about putting the new technology to use, meaning that further debates over releasing more funds are inevitable. It isn't clear who will become the FBI's point man in the debate. Mr. Kallstrom's successor in New York is expected to be announced soon, but FBI officials say Mr.

The Kallstrom File

James Kallstrom's most famous cases:

- **1974-1980** Investigations of New York bombings by Puerto Rican separatist group FALN.
- **1986** The Mafia Commission case. Conviction of heads of five New York Mafia families.
- **1990** Conviction of Mafia boss John Gotti and other Gambino organized-crime members.
- **1994** Convictions of Ramzi Yousef and other defendants accused of bombing the World Trade Center in New York.
- **1996** Convictions of Sheik Omar Abdel Rahman and other defendants accused of conspiring to detonate explosive devices at several New York City landmarks, including the United Nations.
- **1996-97** Criminal investigation of the crash of TWA Flight 800.



James Kallstrom

Kallstrom played a unique role in guiding the bureau on high-tech security issues.

Mr. Kallstrom is anything but a technical wiz. The son of a car salesman and a nurse, he began his FBI career in 1970 after serving as a captain in the Marine Corps in Vietnam. Five years later, he was the case agent assigned to investigate a Mafia loan shark named Paul "Little Paul" Castellano. He obtained one of the first court authorizations the FBI ever received to install a secret microphone and video camera. Along with a team of agents, he placed the bug and camera in a grimy Brooklyn storefront. But when they returned to their listening post, they were dumbfounded.

"The damned microphone never worked," Mr. Kallstrom said. "The video camera worked great, so we could see these wiseguys running their mouths. But we couldn't tell what the hell they were saying. I went crazy."

So crazy that FBI brass placed Mr. Kallstrom in charge of all "technical services" in the bureau's flagship New York office. The job meant providing wiretap specialists, lock pickers and covert-surveillance capabilities to FBI agents working on a wide range of criminal investigations, from organized crime to white-collar crime to narcotics and terrorism.

Total Reorganization

Mr. Kallstrom reorganized the New York office from top to bottom, developing special teams assigned to install wiretaps and pick locks; until then, agents had simply been assigned those jobs on an ad hoc basis. FBI headquarters in Washington eventually ordered the New York model adopted in field offices across the U.S.

Still, Mr. Kallstrom worried that the proliferation of new technologies, from cellular telephones to newly enhanced encryption equipment to digital telephone switching systems, was rapidly outpacing the FBI's ability to keep up with criminals.

"There were days we would literally have 100 court orders [for wiretaps] for Nynex Cellular," Mr. Kallstrom recalled. "And they could provide just four ports [to install the taps]. So we'd get the four, and there'd be another 96 waiting . . . That was a microcosm for the whole range of problems we were facing."

The new digital telephone systems posed the most immediate challenge. One by one, telephone networks across the nation were converting from analog equipment to digital switching systems. But most weren't building in the capability to allow law-enforcement agencies to place court authorized wiretaps on the new systems. "It wasn't anything malevolent on their part," Mr. Kallstrom said. "They just weren't thinking about the law-enforcement requirements."

Lobbying Everyone

Assigned as the head of the engineering section of Technical Services Division at FBI headquarters in 1990, the nontechnical Mr. Kallstrom began lobbying everyone in sight for legislation to force telephone companies to install wiretap-capable digital systems and to pay them for the trouble of doing so. The legislation became law four years later.

Mr. Kallstrom "was instrumental in pursuing the digital telephony legislation," FBI Director Freeh said. ". . . [He] has also been a catalyst for development of proposals to prevent new encryption technologies from blocking law-enforcement investigations."

Mr. Kallstrom is leaving the FBI to become senior executive vice president of banking giant MBNA Corp. in Wilmington, Del. Jules Bonavolonta, an old friend from the bureau who helped lure him there, said Mr. Kallstrom's management of FBI technical services, personnel and a wide range

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POLITICS & POLICY

Surveillance Into High-Tech Age

The Kallstrom File

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James Kallstrom

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of investigative efforts provided him with
the kind of experience the bank requires in
its own far-flung operations. Mr. Bonavo-
lonta recently hired former Deputy FBI
Director William Esposito, he said, not
because of his background in investigative
work but because of the breadth of his
management experience.

"I've known Jim Kallstrom and Bill Espo-
sito for 20 years, and they're two of
the most qualified executives I've ever
worked with," Mr. Bonavolonta said.
"We're just adding to a first-rate operation
some first-class FBI executives."

For his part, Mr. Kallstrom said he sees
his contribution during the course of his
FBI career as an obvious response to an
obvious problem. "We're in the informa-
tion age, and the FBI is in the information
business," he said. "We can't just be the
best interviewers in the world. Or the best
crime-scene people, or the best latent
fingerprint people. We've got to be the best
information people, and that means under-
standing where the information is, how
it's being transmitted — and being able to
get access to it within the law when the
public good is at risk."

IRS Signals It Will Probe Disclosure of Church Pact

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Internal Reve-
nue Service signaled that it will investi-
gate the disclosure of a closing agree-
ment that gave the Church of Scientology
tax-exempt status and settled numerous
lawsuits.

The agreement between the church
and the IRS had remained secret for
about four years, until The Wall Street
Journal published an article detailing the
agreement's terms this week and posted
the document on its Internet Web site.
Under the pact, the church agreed to pay
the IRS \$12.5 million, set up a special
tax-compliance committee and drop
thousands of lawsuits filed against the
IRS in exchange for tax-exempt status
and the discharge of tax liens, levies,
penalties and ongoing audits.

In a statement Wednesday, the IRS
said that a closing agreement is confi-
dential taxpayer information that can't
be disclosed by the IRS "without proper
authorization." The unauthorized disclo-
sure of a closing agreement would violate
the IRS code, the agency said.

The statement signals a pending in-
vestigation into the disclosure, but the
IRS declined to say that a probe was
being opened. The agency said its Office
of the Chief Inspector is "charged with
investigating unauthorized disclosures of

Here is a radical idea-
How about a reporter
doing some investigation?
The NY TIMES printed many
a story on TWA 800, but I
never saw a word in the
weekend editions. And not
one more word from the
Courier Journal.

... in prison...
— Andrea Stone

ALSO ...

USA Today Feb 9(1) 99

Approx. Date

- ▶ **DISASTER FALLOUT:** Earthquakes, floods and hurricanes cause suicide rates to climb among grieving and stressed survivors, researchers report in today's *New England Journal of Medicine*. A Centers for Disease Control and Prevention research team found a 13.8% increase in suicides during the four years after a natural disaster.
- ▶ **LAWSUIT SETTLED:** Retired Secret Service agent George Hickey Jr. has been paid an undisclosed lawsuit settlement by the publishers of a book that accused him of accidentally killing President John F. Kennedy after Lee Harvey Oswald opened fire on Nov. 22, 1963. Hickey denies the claim. St. Martin's Press, publisher of *Mortal Error: The Shot That Killed JFK*, said it settled to avoid litigation.
- ▶ **ASSISTED SUICIDE:** The body of Jeremy Allen, of Cambridge, Mass., was delivered to an Oakland County, Mich., hospital by Jack Kevorkian. Allen, 52, who suffered from cancer, died from a lethal injection of poison, the medical examiner's office said.

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Search ...

Conspiracy theory ¹⁻¹¹⁻⁹⁸_{C598}

BECAUSE of his military credentials, Adm. Thomas Moorer, a former chairman of the Joint Chiefs of Staff, can't be dismissed as an uninformed crackpot when he says he believes TWA Flight 800 may have been shot down by a missile.

But we wonder if the questions he raises can ever be definitively answered.

Along with a retired Navy flyer, two TWA pilots and two witnesses who were on the ground, Adm. Moorer last week expressed doubts about the FBI's finding that the plane was destroyed by an accidental explosion, not foul play. They called on Congress to investigate.

Maybe such an investigation is in order. But it's worth recalling that Flight 800 had reached an altitude of over 13,000 feet when it exploded. It's hard to imagine that a shoulder-fired

antiaircraft missile launched by terrorists in a boat could have brought the plane down.

It's even harder to imagine the involvement of our own military. Yes, the Navy has surface-to-air missiles that easily could hit a high-flying civilian jetliner (one did so, in the Persian Gulf, in a tragic accident that killed 290 Iranians in 1988). But does anyone seriously believe that the military could successfully cover up such a disastrous mistake?

Well, as a matter of fact, there are probably quite a few people who believe it. Conspiracy theories seem to appeal to something in our psyches — whether they involve the assassination of JFK, the suicide of Vincent Foster or the death of Commerce Secretary Ron Brown in a plane crash.

But this is one we just can't buy. Adm. Moorer and his colleagues still have a big selling job to do.