

Local Police Spy Joins Congress Staff

by Jeff Stein

"She was coldly efficient."
"She had a vague sense of humor."
"She was overtly friendly, loved to come up to people at parties, introduce herself, and get to know everyone."

Who was this composite character? S. Louise Rees, once known to her many friends around Washington activist community as Sheila O'Connor, co-owner of the Red House Bookstore, paralegal aide at the National Lawyers Guild, and now, it is known, a police agent and "research assistant" to Congressman Larry P. McDonald of Georgia.

Rees' police work (and that of her husband, John) were uncovered recently in the quarterly journal *Counterspy*. It has also been confirmed that the New York State Assembly's probe into governmental spying has traced the couple's past through a mysterious web of federal and local agencies and a well-funded newsletter operation, without successfully determining who they

really are, or to what federal or corporate spying operation they owed their allegiance.

Sheila Rees/O'Connor disappeared from her job in the office of the National Lawyers Guild one day in June, 1973, shortly after a Watergate demonstration. It wasn't until two months ago that she surfaced in the office of Rep. McDonald. McDonald is notorious for his red-baiting inserts in the *Congressional Record*. He has also drawn the spotlight—outside of Congress—for his prescriptions of the drug Laetrille, an alleged cancer cure, banned by the FDA. (He holds an M.D. degree from Emory University's School of Medicine.)

McDonald's name, according to *Counterspy*, has also circulated through national black leadership circles as an alleged source of money to fund the assassination of Martin Luther King.

The link between the Reeses and McDonald was forged through *Information Digest*, a newsletter secretly established by the couple seven years ago. *ID*, according to experts on the right wing, contains the most sophisticated analysis in the country on left-wing groups

and individuals.

The Reeses, then known as Sheila and John O'Connor, published the newsletter for the use of the CIA, FBI, multinational corporations, and right-wing groups, while running the "collective" Red House Bookstore at 1247 20th Street, NW and living in a "Movement house" in Northwest Washington.

The couple moved on to other groups in the summer of 1971. Sheila went to work for the Institute for Policy Studies. John continued to develop his contacts through the Washington Left, mostly by collecting copies of their journals and newsletters "for the bookstore."

A year later, Sheila joined the staff of the National Lawyers Guild as a paralegal aide. "She was super-efficient," a coworker remembers. "She set up the files and donor lists, and revamped our newsletter. She was a real whiz."

The six-foot tall, heavy-set woman with the waist-length dark hair could also be provocatively inefficient. Apparently she deliberately scuttled a Movement legal conference during her stay at the Guild and narrowly avoided being publicly branded as a police agent.

The couple's home at 1616 Longfellow, NW became "a center of activity," according to a former roommate. "She encouraged parties," the roommate said. "She was into the ripoff philosophy," said another source, actively encouraging and joining shoplifting sprees with other people who lived at, or drifted through their house, many of whom were staff members of the *Quicksilver Times*, a onetime underground newspaper in Washington.

She also carried a gun, discovered when it fell out of her purse in the office. "She was just asked not to bring it in again," a coworker recalls. "It was a weird time."

But there were more dangerous "toys,"

notably the weapons and bugging equipment found inside their always-bolted-shut room one day by a curious housemate. The couple soon disappeared.

Attempts to photograph or interview Rees by staking out her Congressional office have so far been unsuccessful. Her boss, Larry McDonald, will not cooperate in arranging an interview, and is vague about her working status.

But a *Newsworks* inquiry to the office was able to elicit the response from administrative aide Fred Smith that Rees, now 32, has held the position of "research assistant" at a salary of \$14,175 per year "since McDonald came to Congress in 1974." Asked whether it was a fulltime position, Smith said, "I don't know. Research positions are odd—they do research—they're not around here all the time."

Has she been a reliable, hardworking employee, Smith was asked? "Oh yes," he said. "Very reliable." NW

LETTERS

Single = Lonely?

Let me share with you some reactions to your five-page series of articles, "To Be Young, Single and Lonely" (6/10/76), axioms which I have learned and have taught.

1. Two lonely people each must be willing to give to the other person, in order for a mutually satisfactory relationship to occur. Two egotists don't get very far emotionally.

2. Emptiness + emptiness = emptiness, just as $0 + 0 = 0$. Another person cannot fill up the vacuum. People need a *sense of self* from which to give, to relate, and to respond.

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