



B'nai B'rith

# Anti-Defamation Commission Inc.

Australia / New Zealand

The B'nai B'rith Anti-Defamation Commission Inc. is a national organisation dedicated to researching and combating all forms of racism.  
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## BRIEFING PAPER

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## THE LaROUCHE CULT: THE CITIZENS ELECTORAL COUNCIL

*Since the late 1980s, a branch of an American fascist political cult has been operating in Australia. Headquartered in Melbourne, the "Citizens Electoral Council" (CEC) functions strictly according to the dictates of Virginia-based cult leader Lyndon LaRouche, a 78-year old who has served time in prison for fraud and tax evasion.*

*Lyndon LaRouche believes in an impending world crisis engineered by an alleged cabal of Jewish bankers based in Britain. He has established a worldwide movement dedicated to the advancement of this idea through the use of varied misinformation, fundraising, and political campaigns. LaRouche's racist conspiracies have been adapted by the CEC with local targets including Aborigines, Jews, environmentalists and the Australian Government.*

*The CEC plays a small but important part in the global LaRouche movement and should not be dismissed as a relatively insignificant or ineffectual vestige of the racist fringe. For, by deceptively promoting itself as a legitimate grassroots labour movement, the CEC has been able to target trade unionists and politicians, as well as gain recruits and raise millions of dollars by preying on elderly and educationally disempowered Australians.*

*This Briefing Paper seeks to shed light on a group that has undoubtedly become one of the best organised and financed, as well as one of the most pernicious, racist groups in Australia.*



### WHO IS LYNDON LaROUCHE?

Born in Rochester in 1922, Lyndon LaRouche always saw himself as a leader. Always on the fringe, he was originally a Marxist before shifting to the far-right, championing the freedoms of the "industrial capitalists" over those of the proletariat. Dennis King, author of *Lyndon LaRouche and the New American Fascism*, has noted that LaRouche's shift from left to right mirrors the pattern of Benito Mussolini, who was editor of a socialist newspaper before founding Italy's fascist party.

## LaRouche in his own words

**Chinese** are a "paranoid" people, sharing, with "lower forms of animal life", a "fundamental distinction from actually human personalities".

**Italians** are intellectually impotent and obsessed with churches, warehouses and "images of the Virgin Mary".

**Irish-Americans** represent **Catholic** "ethnic piggishness" and are responsible for a "hideous mind-and-body-eroding orgy of fertility".

**Tribal peoples**, such as those in the Amazon, have a "likeness to a lower beast".

**Native Americans:** "Was it... correct for the American branch of European humanist culture to absorb the territories occupied by a miserable, relatively bestial culture of indigenous Americans? Absolutely."

**The Bahai faith:** "'Faith' is scarcely the proper term for the wicked cult".

**The Jesuits:** "The Society of Jesus has been predominately evil throughout its history".

**Homosexuals:** "Those who lynch homosexuals will be remembered as the only force which acted to save the human species from extinction". LaRouche believes that child molesters, Satanists and communists control the gay rights movement and that wealthy Jews encourage homosexuality as a way of undermining western civilisation.

In the 1970s, LaRouche skilfully developed a worldwide movement to advance his racist agenda, which included, as part of his campaign for legitimacy, repeated attempts to receive the Democratic Party's nomination as US President. While engaged in intimidating and exposing the alleged crimes of prominent Jews, the focus of the movement remains the raising of millions of dollars by misrepresentation and deception, to fund not only LaRouche's presidential campaigns and the movement as a whole, but also his and his wife Helga's grandiose lifestyle.

This fundraising led to the conviction of LaRouche and six of his associates in December 1988 for conspiracy and mail fraud in the movement's solicitation of \$34 million in loans since 1983. Predictably, LaRouche claimed that he was the victim of a plot by British intelligence. He was sentenced to 15 years in prison, but continued to direct his movement from behind bars before being paroled in January 1994. However, his time in prison only served to strengthen his racist and anti-democratic views and his movement is as active as ever.

### LaRouche's racist ideology

LaRouche posits his own brand of antisemitic conspiracy, where the world is on the verge of a financial crisis engineered by the "Oligarchy", an alleged cabal of Jewish bankers and usurers, who try to subdue the world through the use of speculative capital. As London is the supposed home of the Oligarchy, LaRouche hates all things British. The City of London (where the Jewish financiers are allegedly based), Great Britain and the monarchy are euphemisms for the Oligarchy, with the Queen herself as supposedly the head of the Oligarchy's international drug cartel.<sup>1</sup> The LaRouchian conspiracy is promoted in Australia by the CEC, as discussed below.

The "Grand Design for Humanity" is LaRouche's vision for saving civilisation, which sees the creation of a dictatorship with LaRouche at the helm, dedicated to the eradication of all facets of the Oligarchy. LaRouche contends that popular support for this dictatorship would only be forthcoming if he could prove that a major crisis is looming, which could be solved with the rise of a new charismatic and competent leader (i.e. LaRouche himself). The impending crisis idea, as utilised by LaRouche propagandists, usually takes the form of debtor countries reneging on their loans to the International Monetary Fund (a supposed Oligarchy front), thereby triggering a global depression. As Asian markets collapsed in the late 1990s, LaRouche operatives, including those in Australia, cited this as a vindication of their leader's prophecies.

As the supposed progenitors of the Oligarchy, the Jews are LaRouche's primary target. Amongst a range of antisemitic canards, LaRouche has claimed that *The Protocols of the Learned Elders of Zion* (the notorious Czarist forgery depicting a plot by

Jewry to take over the world) contains a “hard kernel of truth”.<sup>ii</sup> Engaging also in Holocaust-denial, LaRouche contends that the Nazis “only” killed about a million and a half Jews and “Adolf Hitler was put into power largely on the initiative of the Rothschilds, Warburgs and Oppenheimers, among other Jewish and non-Jewish financial interests centred in the City of London”.<sup>iii</sup>

However, as part of a broader package of racist hate, LaRouche vilifies not only Jews but also other groups (see box above).<sup>iv</sup>

### **THE CITIZENS ELECTORAL COUNCIL**

In the 1980s, the Citizens Electoral Council, a putative grassroots organisation, was established in Queensland amid a background of rural economic hardship. However, by 1989 the CEC leadership had come under the influence of the US LaRouche cult, which had long targeted Australia as part of its efforts at creating an international movement. In 1992, the CEC moved from Queensland to the Melbourne suburb of Coburg to be closer to a large Jewish population, enabling its direct activism against the Oligarchy.<sup>v</sup> In 1993 and 1994, the national office had a full-time staff of between 15 and 20 workers.<sup>vi</sup>

The CEC is led by National Secretary Craig Isherwood, a 40-year old farmer from Queensland who is currently directing the movement’s activities in Western Australia. One of the primary CEC activists in the Melbourne headquarters is National Executive member Robert Barwick, the Australian correspondent for LaRouche’s American publications. The work of the CEC is closely supervised by US LaRouche official Allen Douglas who, in the mid-1980s, was politically active in New Zealand where his exploits led to the collapse of the New Zealand LaRouche movement and a threatened lawsuit has apparently prevented his return there. Douglas has been in effective control of the CEC since 1993, supervising a program of what former CEC staffer Donald Veitch terms “agitation and propaganda (agit-prop), and outreach provocations”.<sup>vii</sup>

### **LaRouche’s Australian targets**

In accordance with LaRouche ideology, the CEC targets all those in Australia who are deemed to be the Oligarchy or its agents:

1. **Aborigines:** The CEC’s denial and denigration of Aboriginal history, culture, reconciliation, and land rights is outlined in its December 1997 publication, “Aboriginal 'land rights': Prince Philip's racist plot to splinter Australia”.

The group describes Aboriginal culture as “brutal” and comparable to the “ritual torture and cannibalism of the Aztecs”. Like most racist bodies, the CEC believes that the Aborigines were not Australia's original people, thereby undermining their political and socio-economic claims. In addition, Aboriginal land rights, were allegedly “cooked up by Prince Philip and his World Wide Fund for Nature... on behalf of the international financial oligarchy which he heads, in order to stop economic development, to splinter nation-states, and to grab control of precious raw materials”.<sup>viii</sup> Hence, “Anyone who still babbles about 'land rights' or '50,000 years of Dreamtime', is... a witting stooge of the Queen's minerals cartel, led by Rio Tinto”, and the Mabo case was a “fraud”, the result of “decades of scheming by anthropologists and communists in the service of British intelligence, who wanted to split apart our nation”.<sup>ix</sup>



2. **The Australian Government and other “Mont Pelerin front groups”:** The Mont Pelerin Society is supposedly a covert subvertive group founded in 1947 in a chalet on the slopes of Mt Pelerin in Switzerland by some of the leading families of the European Oligarchy. Desiring free trade and the elimination of the nation state, the Society purportedly moved from Switzerland to London from where it has become “the chief economic warfare unit of the British Crown”.

The CEC claims that the Federal Government and the Kennett Government in Victoria are really Mont Pelerin’s Australian “front groups”, as are several thinktanks and NGOs, including the Institute for Public Affairs, the Tasman Institute and Centre for Independent Studies. Prominent Australians purportedly associated with the Mont Pelerin Society include Peter Costello, Dame Leonie Kramer, Paddy McGuinness, John Hyde, Hugh Morgan, and Kevan Gosper (see chart on page 8).<sup>x</sup> Thus, rather than acting in the interests of Australia, the policies of Government and NGOs are allegedly in accordance with the dictates of the Mont Pelerin Society and the British Crown.

3. **Environmentalists:** The CEC believes that the Oligarchy, particularly Prince Philip and his World Wide Fund for Nature, is manipulating the environmental lobby in Australia and abroad, as a way of obtaining raw materials for the Oligarchy’s mining interests, especially the mining company Rio Tinto, which is allegedly controlled by the Queen. It is supposedly for this reason that Prince Philip established the Australian Conservation Foundation in 1963, which allegedly remains under the control of the Queen’s Rio Tinto, which also finances other environmental bodies such as Earthwatch, the Australian Heritage Commission, and Greening Australia, as a way of controlling mineral resources (see chart on page 8).<sup>xi</sup>
4. **Australian Jewry:** In the tradition of LaRouche, the CEC seeks to demonise specific well-known Jews, hoping that all Jews will thereby be portrayed in a negative light. A favourite CEC target is the prominent Jewish Leibler family in Melbourne, who supposedly issued the orders for the Waco siege.<sup>xii</sup>

In order to find “proof” of the Oligarchy’s activities, the CEC has systematically monitored and spied on Australian Jewish leaders. Operatives are known to have used sophisticated surveillance equipment and to have attended Jewish community meetings disguised as students. The CEC files reports with LaRouche headquarters in the US and the information gathered is used by the group to defame their targets, particularly in their publications, such as *The New Citizen*. Non-Jewish organisations have also been targeted in this way, including attempts by the CEC to spy on left-wing organisations and human rights bodies.

## **CEC activities Australia-wide**

### **1. Building a mass movement**

The CEC has actively set about winning the support of the public. Through a recruitment drive known as “Force 100”, the CEC has set up stalls nationwide to sell LaRouche literature and CEC memberships. Like the US LaRouche movement, the CEC attempts to recruit members of the public by purporting to address seemingly legitimate economic and political concerns, but does so in a racist conspiratorial light. Former CEC staffer Don Veitch has stated: “People are attracted to the CEC-LaRouche organisation through an initial ‘soft’ approach: the ideas of the Golden Renaissance, music, geometry, dirigist economics, ‘saving Australia’ and the like”.<sup>xiii</sup>

## Entering the cult

"They inquired into my relationship with my mother. That was pretty much standard procedure. It was an interrogation. The whole aim was to create a new person, making your past totally irrelevant and giving you a new personality. No matter what you said it was your mother's fault. It was pretty hideous stuff. Many people broke down and cried."

- Alex Rotaru, a former CEC intelligence officer, on the cult's indoctrination procedure.

"They would tell you there was something wrong with your mind if you are not pulling huge dollars in."

- Julie Warner, who blamed CEC brainwashing for bringing her close to suicide.

"They are a horrible bunch of people. When I first flew to Melbourne, I could only talk to her sitting on the fence outside (the CEC office)."

- Queensland farmer Joe Vella who was prevented from seeing his wife after she joined the CEC.

From Martin Daly's report, "Families fight back", *The Age*, 30 January 1996.

Each new recruit is forced to undergo "deprogramming sessions" to attain mindless conformity to the cause. Former CEC staffer Donald Veitch has categorically stated: "The mind control operations commenced by LaRouche in the USA in the mid-1970s are still being practised today within his movement in Australia".<sup>xiv</sup>

The LaRouchian cult-style ego-stripping mind-control techniques involve recruits being probed for sexual peccadilloes, especially their sexual relationship with their mother.<sup>xv</sup> The "Witch Mother" or her surrogate is blamed for a recruit's neuroses and is hunted down for exorcism: by a recruit denouncing the "Witch Mother", recruiting his wife to the cause, or leaving his wife and family, he will be declared "unblocked", "potent" and a "beautiful" person.<sup>xvi</sup> There have been several documented cases of recruits severing ties with their families as a result of the ego-stripping sessions.<sup>xvii</sup> National Secretary Craig Isherwood also apparently uses the techniques to unmask "threats" from within the CEC and then devises strategies to counter them, thereby promoting himself as the organisation's "dragon slayer".<sup>xviii</sup>

## 2. Raising funds for LaRouche

Despite LaRouche's imprisonment for fraud and tax evasion, his movement continues to raise millions of dollars worldwide by misrepresentation and deception. CEC staffers are exploited by the cult, often working in a "boiler room" atmosphere to solicit funds over the phone. The financially and educationally disempowered and weak are targeted in the belief that the potential combination of fragility, loneliness and a final search for meaning make them susceptible to exploitation. Donors are assured that it is of no consequence if one's credit card is overdrawn, because the entire financial system is about to collapse anyway and the debts won't need to be repaid.

During the 1990s, the CEC netted about \$3 million in Australia, more than the National Party and the Democrats. In its annual return to the Australian Electoral Commission in February 1999, the CEC says that it secured donations of more than \$1 million.<sup>xix</sup>

Allen Douglas has control over the disposal of all funds raised in Australia, which are spent on:

- i. Trips to the Leesburg headquarters for re-education and training for Australian cadres and potential recruits. (LaRouche headquarters in Leesburg apparently considers Australia as an offshoot from the British Empire and its inhabitants "head cases". Therefore, CEC cadres are frequently flown to the US for extensive psychoanalysis and training.)<sup>xx</sup>
- ii. International conference calls to maintain immediate and direct American control over the Australian operations.
- iii. LaRouche's public relations efforts.<sup>xxi</sup>

### 3. Targeting politicians

The CEC has inundated politicians with its lobbying documents, especially, "Sovereign Australia II: the legislative program to save our nation". Former Federal Liberal MP Ken Aldred came under the sway of CEC propaganda, promoting several CEC conspiracies in parliament, such as his claim in 1995 that Michael Costello, the then head of the Department of Foreign Affairs and Trade, had colluded with Jewish leaders to courier drug money to Australia (see below). In early 1999, forged correspondence was circulated by Aldred alleging that three Australian prime ministers were involved in a conspiracy to betray Australia to Indonesia.<sup>xxii</sup>



CEC activists are also known to have posed as government officials to obtain interviews for their paper, *The New Citizen*, and CEC "journalists" have been sent to pose provocative questions to politicians at press conferences and other meetings.

### 4. Overtures to trade unions

The CEC's overtures towards trade unions are based on the notion that the industrial capitalists (i.e. labour leaders) need to become the junior partners in LaRouche's vision for saving civilisation from the Oligarchy, the "Grand Design for Humanity". The CEC seeks to make converts among unionists by pretending to be interested in trade union concerns, which are of course explained within a LaRouchian framework, and the CEC has proudly proclaimed that all the unionists' troubles stem from the Oligarchy's Mont Pelerin Society and the mining company Rio Tinto, who are "leading the charge to crush the unions in this country".<sup>xxiii</sup>



Periods of industrial strife are particularly ripe times for the CEC to target unionists. For example, during the waterfront dispute in 1998, the CEC set up stalls and distributed its literature on the Melbourne docks. Entitled, "Australian Dossier War on the Docks", the material claimed that the dispute was part of an international conspiracy.

In early 2000, the CEC joined forces with the Municipal Employees Union of Western Australia, a maverick union of blue-collar workers, to form the "Curtin Labor Alliance" political party. It is likely that most members of the Municipal Employees Union are unaware of the CEC's racist conspiratorial underpinnings, for the Party platform addresses seemingly legitimate economic and labour issues, including a call for a "New Bretton Woods" (a LaRouchian concept). At the launch of the Alliance in Perth in April 2000, the guest speakers were Jeffrey and Michele Steinberg from the US, who are senior aides to Lyndon LaRouche. Jeffrey is also the director of counterintelligence for LaRouche's American operation. National Secretary Craig Isherwood and Labour Co-ordinator Andrew Fox both maintain a presence in Perth and are co-ordinating the CEC's targeting of trade unions in the state.

In 1993, Peter Holding, an official of the Australasian Meat Industry Employees' Union in Melbourne, addressed a meeting of the Trades Hall Council in Melbourne, and warned of the fascist ideology of the LaRouche movement and its backing of the CEC, which he described as "a dangerous and very well resourced movement". He called for "uncompromising solidarity with the civil rights of those whom these right-wing groups seek to scapegoat, the Jewish community, the environmental movement, women and the homosexual community". Indeed, trade unions

should be wary of any overtures by the CEC, whose deceptive labour-orientated agenda is a cover for an avowedly racist ideology.

## CONCLUSION

Like all racist groups in Australia, the CEC champions the dismemberment of our multi-ethnic society. For this reason alone, the group should be condemned by all who advocate a tolerant and diverse Australia. However, unlike most other racist groups in this country, the CEC is a national, cohesive operation with significant funding and outreach capabilities. With the backing of the LaRouche movement in the US, and its notorious strategies of cult control and exploitation, the CEC has been able to manipulate Australia's political processes, and play on legitimate economic discontent to garner support amongst trade unionists and the public.

The CEC is never likely to have a significant electoral impact, though the group measures its political success not by the number of candidates elected, but rather by the amount of campaign contributions obtained from gullible members of the public. The CEC also uses the political processes as a way of reaching out to trade unionists, as evidenced by the "Curtin Labor Alliance", the party established in 2000 by the CEC and the Municipal Employees Union of Western Australia.

Perhaps it is the economic ploy utilised by the cult which constitutes the greatest threat. The economic statements and predictions of LaRouche are selectively quoted by the CEC when targeting politicians, trade unionists or the public. The CEC claims it has had some success at signing up new members and distributing its publications as part of its "Force 100" project, which seeks to build a mass movement. Members of the public who are confronted by CEC activists are not told of the group's racist underpinnings, but are instead asked, "Do you care about the economy?", and are given a lesson on how LaRouchian economics can save the world.

This deceptive approach makes it all the more necessary for the wider community to be cognisant of the racist, antisemitic, and anti-democratic agenda behind the CEC.

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<sup>i</sup> NBC *First Camera* program, 4 March, 1984.

<sup>ii</sup> Quoted in King, Dennis, *Lyndon LaRouche and the New American Fascism*, 1989, p.275.

<sup>iii</sup> Quoted in *The LaRouche Political Cult: Packaging Extremism - A Case Study*, ADL Special Report, 1986, p.7.

<sup>iv</sup> See King, Ch.30.

<sup>v</sup> Kapel, Michael, "Special Investigation: Inside the LaRouche Movement", *Australia-Israel Review*, 1-15 July 1996, p.4.

<sup>vi</sup> Veitch, Don, *Beyond Common Sense - Psycho-Politics in Australia*, 1996, p.7.

<sup>vii</sup> Veitch, pp.40-2.

<sup>viii</sup> Douglas, Allen and Helsop, Kelvin, "The real history of Australia: '50,000 Years of Dreamtime'? or, Transoceanic Maritime Cultures", *The New Citizen*, May/June 1999, p.11.

<sup>ix</sup> "Fraud of 'land rights' demolished", *The New Citizen*, August-October 1999, p.1.

<sup>x</sup> CEC booklet, *Australia's health care 'reforms': A Nuremberg crime against humanity*, February 1998.

<sup>xi</sup> CEC booklet, *Stop the British Crown plot to crush Australia's unions*, June 1998.

<sup>xii</sup> Kapel, p.5.

<sup>xiii</sup> Veitch, p.53

<sup>xiv</sup> Veitch, p.33

<sup>xv</sup> Veitch, p.48

<sup>xvi</sup> Veitch, p.89.

<sup>xvii</sup> See "LaRouche profit and lies", ABC *Four Corners* program, 24 June, 1996.

<sup>xviii</sup> Veitch, p.44

<sup>xix</sup> See Seccombe, Mike, "Conspiracies are a nice little earner", *Sydney Morning Herald*, 3 February 1999.

<sup>xx</sup> Veitch, p.50

<sup>xxi</sup> Veitch, p.42

<sup>xxii</sup> Moor, Keith, "The big lie", *Herald Sun*, 15 March 1999, p.1.

<sup>xxiii</sup> Douglas, Allen, "The Queen is Coming!", *The New Citizen*, March-June 2000, p.13