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T H E
"TERRORISM"
INDUSTRY

The Experts and Institutions
That Shape Our View of Terror

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and
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The dominant definition of the problem acquires, by repetition, and by the weight and credibility of those who propose and subscribe it, the warrant of "common sense."

—STUART HALL

or, as in the case of the American Security Council (ASC), that it provides an umbrella and means of communication and networking among other members of the industry.

While the major institutes are relatively well established, many of the smaller operations are new and probably transitory. The number of institutes in the U.S. industry in the mid-1980s was in the range of forty to fifty (see the listing in appendix C), but fewer than a dozen could be considered important as measured by scholarly reputation or media recognition of their resident experts. Terrorism industry institutes have emerged in other countries as well, and they are networked with the U.S. institutes and among themselves.

U.S.-Based Institutes and Organizations

We will concentrate here on two of the Big Four private-sector institutes and eight others that are of some importance or illustrate some significant feature of industry members. Only three of the eight—ASC, Rand, and the National Forum Foundation (NFF)—are of substantial size and importance. The others are not only small, frequently one-man operations, but their funding and activities are harder to determine, and we will treat them more briefly. Of the Big Four, only Heritage and CSIS are of major importance in the terrorism industry and will be discussed separately below. AEI is a diversified, corporate-funded, right-wing think tank, but one that has emphasized economic issues and policy. It was founded in 1943 by Louis Brown, head of the Johns Manville Corporation, one of the great producers of negative externalities that the free market fails to deal with, and devoted, therefore, to the restoration of free market principles after the horrors of New Deal intervention.⁹ It does, however, dip into the foreign policy arena and provides fellowships—and thus money, contacts, and outreach—to various experts, most notably, in the terrorism field, following her stint as UN ambassador, Jeane Kirkpatrick.

Hoover has provided a home base for several right-wing terrorism experts. One is Stefan Possony, a longtime member of WACL, a board member of Lyndon LaRouche's Fusion Energy Foundation,

and coauthor with L. Francis Bouchev of *The Strategy of Terror*.¹⁰ Martha Crenshaw, now of Wellesley College, who has carefully confined her frameworks and studies to approved terrorists, spent some time at Hoover. More recently, Angelo Codevilla, a former naval intelligence officer and right-wing activist implicated in the so-called Debatagate scandal, has joined Hoover as an expert on terrorism.¹¹ Peter Duignan, for a number of years director of the South African program at Hoover and a member of Reagan's foreign policy transition team, is also a member of the editorial advisory board of the *South African Freedom Review*, published in South Africa under the auspices of the extreme right-wing International Freedom Foundation.¹² This journal is designed to put South Africa in a favorable light as a defender of Western values against the black agents of world communism.

The Heritage Foundation The Heritage Foundation is important because of its size and influence, and also because it is a far-right enterprise that has nonetheless achieved respectability and power. It was organized in 1973 by Joseph Coors and New Right activist Paul Weyrich, with substantial funding help from Richard Mellon Scaife.¹³ Edwin Feulner, Jr., longtime head of Heritage, was reportedly chosen by the Scaife group.¹⁴ Funded subsequently by a wide variety of corporations and foundations as well as wealthy individuals, the Heritage budget reached \$14 million in 1987.

Heritage has served as an umbrella organization for a variety of institutions of the extreme right and for outright terrorist groups. It has had ties to the Christian right, the Moon system, Taiwan, and South Korea,¹⁵ and the RENAMO lobby¹⁶ has been headquartered in the Heritage building. With its more respectable face, Heritage has supported right-wing intellectuals, and it has pioneered in developing a resource bank "to help bring this non-Washington expertise into the policy-making process."¹⁷ It has strongly emphasized programs designed to influence policy through a continuous flow of position papers, publicity, and conferences, and by exploiting its relationships with decision makers.

Heritage had close connections with the Reagan administration, and former Reagan-era officials Edwin Meese, Caspar Weinberger, Kenneth Adelman, Jeane Kirkpatrick, and numerous others regu-

missions," and so on. This entire operation was done with extensive official connivance,⁷⁴ in violation of the Neutrality Act as well as the Boland amendment.

One of the largest and oldest of the training centers is SIONICS, Inc. (Studies in Operational Negotiations of Insurgency and Counter-Subversion), formerly Cobray International Training Center, with headquarters in Powder Springs, Georgia. Founded in 1979 by the late Lieutenant General Mitchell Livingston WerBell III, SIONICS is a frequent advertiser in such mercenary magazines as *Soldier of Fortune*, *Eagle*, and *Gung-Ho*. WerBell was an OSS officer in China during World War II and worked closely with both Ray Cline and John Singlaub (Singlaub was a frequent visitor and occasional instructor at the SIONICS camp). WerBell's training course at SIONICS involved classes in personal combat (martial arts, knife fighting, and marksmanship) and "field and urban survival studies." The ten-day "primary course" was designed to teach a trainee how to avoid sabotage, kidnapping, and spying, and how to spot potential terrorists. Writing in *Eagle* magazine (June 1982), Sidney Filson described the course as "expensive and worth the price." Students at SIONICS have included members of racist, paramilitary organizations as well as groups like Lyndon LaRouche's (now defunct) U.S. Labor party. In fact, in 1978 WerBell was employed by LaRouche's National Caucus of Labor Committees as "personal security advisor" to LaRouche himself.⁷⁵

WerBell was active in international far-right politics up until his death in December 1983. For example, he was involved in a 1982 coup attempt in Guatemala led by Mario Sandoval Alarcón's National Liberation Movement (MLN). According to Jon Lee and Scott Anderson, during preparations for the coup, WerBell remained in isolation in his suite at the Hotel Cortijo Reforma in Guatemala City, where a "retinue of Guatemalan colonels, businessmen, and a member of the U.S. military advisory group to Guatemala attached to the American Embassy regularly visited him, usually at night."⁷⁶

In addition to SIONICS, WerBell owned seven other companies, among them the Military Armament Corporation (which sold the Ingram M-10 and M-11, rapid-firing handguns to which WerBell added his own invented silencer) and Parabellum Corporation. Parabellum was licensed to sell weapons in Latin America and was

the firm planned for use by Watergate conspirator Frank Sturgis to obtain weapons for Cuban exiles planning to disrupt the 1972 Democratic convention in Miami.⁷⁷

In spite of the fact that WerBell's Ingram M-10 and M-11 guns could be acquired legally only by special permission of U.S. officials, large numbers of them were in use among European fascist terrorists in 1976 and 1977.⁷⁸ The Spanish intelligence agency, DGS, purchased many such weapons under license from U.S. authorities in the 1970s. It was later learned that DGS was coordinating the activities of right-wing terrorists.⁷⁹

Several other such camps have been established across the country, designed to train executives and security personnel in special "urban combat" techniques. Tuition rates are high; Executive Security International (ESI) of Colorado commands over \$5,500 for its basic course in executive survival, and it counts among its faculty members Harvey McGeorge, a former Secret Service agent who has worked with terrorism expert Neil Livingstone. The Liddy Academy, the training division of G. Gordon Liddy and Associates, Inc., offers a seventeen-day program for close to \$3,000.⁸⁰

Not all of the antiterrorism training camps operate on a for-profit basis, however. The previously mentioned CMA has operated training camps for mercenaries for several years on a nonprofit basis. Humberto Alvarado, a former member of Alpha 66, operated a nonprofit camp in Bordentown, New Jersey, until local officials shut the operation down.⁸¹ Camp Oliver North (and its sister operation, Camp Jeane Kirkpatrick) served to train predominantly Cuban-American and Puerto Rican anticommunist forces for later "operations in Latin America, including planned invasions of Cuba and Nicaragua."⁸²

One self-styled "terrorism expert" succeeded in duping several police departments into hosting training seminars and conferences where participants were told that members of the peace and anti-nuclear movements were, in actuality, highly trained terrorists.⁸³ James Davis, owner of a California-based private police-training company known as DanCor, Ltd., had been on the payroll of the San Diego state sheriff department's Red Squad in the 1970s, serving as an informant while a student at San Diego State University. He later worked as an instructor at the California Specialized Training

low-intensity conflict the Soviet Union chooses to support" (pp. 56 and xiii). Nowhere do they admit the possibility of rebel autonomy and the legitimacy of such movements; their uniform stress is on Soviet support, which delegitimizes these movements. They use the analogy of an "infection, a virulent disease" spread by Moscow against "successive open societies" to characterize national liberation movements. They have no hesitancy in calling the ANC and SWAPO "terrorist groups . . . based on the Cuban model," "extremist organizations," who "launch terrorist attacks against South Africa" (pp. 64–65).

In brief, this is an extreme right-wing propaganda tract that ties all liberation movements to Moscow and apologizes for South African as well as any other Western-state primary terror. The authors engage in shameless lying. None of these considerations, however, have detracted from Alexander's status as an expert for both the Western media or other experts who cite and collaborate with him as a serious scholar.

Ray Cline Alexander's collaborator, Ray S. Cline, is a central figure in the terrorism industry, an early proponent of the Soviet network theory, and a leading member and spokesman of the far right. For a long time he was a senior associate at CSIS, adjunct professor of International Relations at Georgetown's School of Foreign Service, and an instructor at the Defense Intelligence School. He currently chairs the CAUSA-affiliated U.S. Global Strategy Council, and serves on the editorial board of the Moon-owned monthly magazine, *The World and I*, edited by Arnaud de Borchgrave. Cline is affiliated with many other members of the terrorism industry.

During World War II, Cline served as a naval intelligence officer and worked for the OSS in Kunming, China, with John Singlaub, Mitchell Livingstone WerBell III, Richard Helms, and Howard Hunt. Cline later served as deputy CIA station chief in South Korea in the early 1950s. From 1958 to 1962, he was the CIA's station chief in Taiwan, and from 1962 to 1966 was the agency's deputy director for intelligence. He later became director of the State Department's Bureau of Intelligence and Research (1969–73), where he helped

coordinate the CIA's destabilization and eventual overthrow of the Allende government in Chile.¹²

In addition to his long-standing ties to the U.S. government, Cline has been closely connected to repressive regimes and the international ultraright. We have noted his leadership of a Moon-sponsored organization. While stationed in Taiwan, Cline was probably involved in channeling counterpart funds from the U.S. embassy to provide the initial financing for the Asian People's Anti-Communist League in 1954 and the preparatory meeting of WACL in 1958.¹³ Cline has attended and participated in several WACL meetings. With Chiang Ching-kuo, the son of Chiang Kai-shek, Cline formed Taiwan's notorious Political Warfare Cadres Academy, which has trained officers from right-wing nations worldwide in counterinsurgency techniques.¹⁴ One of the best known graduates of the academy is Roberto D'Aubuisson.

Cline has also worked with the far right in the Philippines. After relocating the offices of WACL to the Nippon Star Trading Company complex in Manila in late 1986, John Singlaub met with Cline, Defense Minister Juan Ponce Enrile, and General Luis Villa-Real. Villa-Real, the president of WACL's Philippine chapter, played a central role in the creation of right-wing death squads in that country.¹⁵ Both Cline and Singlaub were identified by the *Philippine Daily Inquirer* as aiding the forces behind the 1986 coup attempt against the Aquino government.¹⁶

Cline's ties to the U.S. far right are also noteworthy. He has served in various capacities on the boards of organizations tied to the so-called China Lobby, such as the Committee for a Free China and the Coalition for Asian Peace and Security. He was president of the National Intelligence Studies Center, a conservative and intelligence-linked think tank, and he has been active in the right-wing Association of Former Intelligence Officers. Cline has given interviews to the John Birch Society's *Review of the News* on two separate occasions (April 22, 1981, and March 27, 1985). Lyndon LaRouche's followers cultivated a friendly relationship with Cline, and Cline "continued to chat with them throughout the early 1980s."¹⁷ He is also on the board of directors of the Nathan Hale Foundation and serves on the editorial board of Yonah Alexander's journal, *Terrorism*.

Cline has been heavily involved in the risk analysis business,

37. John Warner, "Terrorism and Drug Trafficking: A Lethal Partnership," *Security Management*, June 1984, pp. 44-46; Alvin H. Buckelew, "The Secret World of Narcoterrorism," *Security Management*, Sept. 1987, pp. 67-74.
38. William Cunningham and Todd Taylor, *Private Security and Police in America* [Hallcrest Report] (Portland, Ore.: Chancellor Press, 1985), p. 101.
39. Cunningham and Taylor estimate 5,173 guard/detection agency firms, with 245,171 employees in 1977. *Ibid.*, p. 110.
40. In December 1987, American Brands sold Pinkerton's to CPP Security Service, a privately owned security firm and prior to this transaction the fourth largest company in the security business with sales of \$250 million. "Pinkerton's New Parent Hopes to Get a Better Lock on Profits," *Los Angeles Times*, Dec. 22, 1987.
41. Donner, *Age of Surveillance*, p. 425. Wackenhut donated its subversive files in the 1970s to the far-right Church League of America, although it continued to use them according to need. See *Personal Privacy in an Information Society*, Report of the Private Protection Study Commission, July 1977, pp. 333-34.
42. Martin Waldron, "Florida's Governor Sets Up Private Police Force," *New York Times*, January 8, 1967.
43. Its *Security Review* got awards from the Freedoms Foundation and the All-American Conference to Combat Communism in the early 1960s.
44. Waldron, "Florida's Governor Sets Up Private Police Force."
45. Robert Bork, Jr., "Big George Wackenhut," *Forbes*, Nov. 21, 1983, pp. 203-6.
46. "Wackenhut Creates an Anti-Terrorist Division," *Los Angeles Times*, Sept. 10, 1986.
47. This is consistent with the official U.S. policy of helping advise and train private security forces of friendly countries. See above, p. 71.
48. Jefferson Morley, "The Vanishing Kidnap Plot," *Nation*, July 30-Aug. 6, 1988.
49. Merzer, "George Wackenhut."
50. See Jan Capelle, "Westland New Post: Ombres et Lumières," *Belgique*, Article 31, July 30, 1987.
51. RFST has offices in Aims of Industry's building.
52. Jonathan Bloch and Patrick Fitzgerald, *British Intelligence and Covert Action* (Dingle, County Kerry: Brandon, 1983), pp. 208-9.
53. Sam Passow, "Protecting Corporate America Against Terrorism," *New York Times*, May 6, 1984, sec. 3, pp. 14-15.
54. Kevin Toolis, "Security Expert Drug Firm 'Agent' Says Animal Lib," *Observer*, Dec. 14, 1986, p. 41.
55. Kevin Toolis, "Secret Study of Anti-Apartheid Violence Risks," *Observer*, Dec. 7, 1986.
56. Stuart Christie, "The Golden Road to Samarkand," *Anarchist Review*, no. 6 (Summer 1982).
57. Joseph Volz and Nick Davies, "'Saboteur' Does Our Dirty Work," *Daily News* [London], Jan. 3, 1988, p. 3.
58. *Ibid.*
59. See also David Rogers, "UK Security Firm with Thatcher Ties Had Role in Contra Aid, Data Indicate," *Wall Street Journal*, March 25, 1987, p. 12.

60. Jonathan Bloch points out that the British government farmed out the training of intelligence agents from Oman and Nigeria to a company called Diversified Corporate Services in the 1970s; that in 1982 a company called Falconstar, run by former SAS/Guards officers was hired to train special riot police in Uganda; that a company called Argen Information Services, run by a former Rhodesian Special Branch officer, was hired in the early 1980s to train a Basque security force. "Training Other People's Police Forces," a paper given in June 1985, reprinted in *Lobster*, no. 9 (Sept. 1985).
61. Volz and Davies, "'Saboteur' Does Our Dirty Work."
62. Jon Lee Anderson "Loose Cannons: On the Trail of Israel's Gunrunners in Central America," *New Outlook*, Feb. 1989, p. 29.
63. Alison Acker, *Honduras: The Making of a Banana Republic* (Boston: South End Press, 1988), pp. 115-17.
64. Anderson, "Loose Cannons," p. 26.
65. While President Azcona and the Honduran military insist that Battalion 3-16 was dissolved under Directive 2192, issued on September 11, 1987, former Sergeant Fausto Reyes-Caballero of the Honduran security forces told Julia Preston of the *Washington Post* in October 1988 that the battalion, with the aid of ISDS, was still active. Corroboration of this claim appeared in an administrative report from a customs office in El Amarillo on the Salvadoran border. According to Office Bulletin no. 2599 from the president's press office, dated September 7, 1988, the customs administration at El Amarillo had denied that contraband was passing through its jurisdiction, observing that even members of Battalion 3-16 were reviewing that sector of the border. Committee for the Defense of Human Rights in Honduras, "The Situation of Human Rights in Honduras, 1988," p. 13.
66. Anderson, "Loose Cannons," p. 27.
67. Beit-Hallahmi, *The Israeli Connection*, p. 30.
68. "CAIB Investigates Special Forces Camps," *CovertAction Information Bulletin*, no. 22 (Fall 1984), p. 61.
69. Jeff Gerth, "U.S. Military Creates Secret Units for Use in Sensitive Tasks Abroad," *New York Times*, June 8, 1984.
70. Subsequently, the name of the organization was changed to *Civilian Material Assistance*.
71. Ken Lawrence, "From Phoenix Associates to Civilian-Military Assistance," *CovertAction Information Bulletin*, no. 22 (Fall 1984), pp. 18-19.
72. See chapter 5, p. 85 and note 42.
73. Barry et al., *New Right Humanitarians*, p. 50.
74. Philip Taubman, "U.S. Army Officers Helped Private Group in Salvador," *New York Times*, Sept. 7, 1984. In the *Iran-Contra Affair* documents there is an explicit reference by Reagan administration officials to "periodic assistance" to the contras "from the Civilian Military Assistance Group [CMA] in Alabama" as part of a semi-official apparatus. Appendix, vol. I, p. 324.
75. Marshall, Scott, and Hunter, *The Iran-Contra Connection*, pp. 67-68.
76. Anderson and Anderson, *Inside the League*, p. 182.
77. Heinrich Kruger, *The Great Heroin Coup* (Boston: South End Press, 1980), p. 182.
78. *Ibid.*, p. 183.