



Exploding The Phone

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Source Alan Rubinstein

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BIG MOTHER IS LISTENING

An ear-burning exposé of Ma Bell's Private CIA By George O'Toole

There is a crime so heinous that merely to be suspected of it is legal grounds for the wiretapping of your telephone without a warrant. Your every telephone conversation will be tape recorded for as long as it takes to establish your guilt or innocence. If no evidence against you is overheard, you will never know that your privacy was violated. If your telephone conversations indicate you are guilty of this crime, there will be a knock on your door. It won't be the police, the FBI, the CIA or any official law enforcement agency, for the law does not grant them

this kind of power over a person suspected of this crime. The people on the other side of the door will be from one of the most powerful private police forces in the country—the telephone company cops. And the crime they are empowered by law to investigate through wholesale warrantless wiretapping is not murder, kidnapping, espionage or treason; it is telephone fraud—cheating Ma Bell out of a dime.

Title III of the Omnibus Crime Control and Safe Streets Act of 1968—the federal wiretapping law—gives the telephone company carte blanche to eaves-

drop on its customers, so long as such listening can be fitted under either of the broad headings, "rendition of telephone service," or "protection of the rights or property" of the telephone company. The definition of those terms is left entirely to the telephone cops, since there is no legal requirement even to notify the courts or the official police that such a tap has been installed. If you suspected the telephone company or anyone else of cheating you, and you went out and tried a little wiretapping to see if you could prove it, you would be subject to \$10,000 fine in 5 years

the slammer. But if the telephone cops think you may be trying to fiddle a few free phone calls, they have the legal right to stick their ears into every facet of your private life you may happen to discuss on the phone. That tells you a little about the difference between you and Ma Bell.

There are more than 1,800 telephone companies in the United States, some with homey American names like the Farmers' Mutual Cooperative Telephone Company, the Yell County Telephone Company, and the William Butts Telephone Company. But 83 percent of the national telephone system is owned by the Bell System—the 24 affiliates and subsidiary companies of the American Telephone and Telegraph company—known affectionately as Ma Bell. AT&T is a government-sanctioned monopoly that does \$30 billion worth of business annually. It provides its customers with the best telephone service in the world.

Just because it works so well, the Americans take for granted a degree of efficiency and reliability in their telephone system that is unknown throughout most of the world. Even in much of Europe the phone service is sluggish and uncertain, while in most of Asia and Latin America the telephone systems resemble a pair of tin cans and a piece of string, compared to our domestic product. Within the U.S. there are over 120 million telephones spread out among the 50 states, and any one of them can be connected to any other in a matter of seconds, and at a reasonable price. Few of the goodies that come from the cornucopia of American industry can claim to offer the consumer such unalloyed blessings as the telephone. It doesn't give you cancer, rot your teeth or weaken your mind. It is an indispensable comfort to the old person who must live alone and the lovers who must live apart. They know they can depend on it, and even if they are among Ma Bell's harshest critics, they have to admit she must be doing something right. But Big Mama has lately been

caught doing her babies wrong. And the wrong always involves, in one way or another, the telephone cops.

There is no question that the telephone company needs its own security force; any business that has to leave boxes full of money unattended on street corners has special problems in this department. Ripping off pay telephones may seem like a nickel and dime racket, but some professional thieves specialize in it, learning to pick coin box locks swiftly and unobtrusively. They set up phony laundromat and vending machine businesses to turn the silver into long green without attracting suspicion from bank tellers. An experienced coin box artist who works steadily and doesn't get caught can collect \$100,000 per year.

Beyond safeguarding the billions of dollars in company assets sprinkled around the country, the telephone cops are also responsible for protecting telephone customers. A wide assortment of baddies, ranging from extortionists to perverts, use the telephone to prey on the public, and the telephone cops do a necessary job in helping the official police catch them. But the telephone cops also have the task of protecting the telephone customer from wiretappers, and this is a circumstance of exquisite irony; if your telephone has ever been tapped, the odds are well over a thousand to one that it was the telephone cops who tapped it.

While no one knows how many illegal wiretaps are placed by suspicious spouses, industrial spies or political dirty-tricksters, telephone repairmen turn up about 200 of them each year in the normal course of maintaining the lines, or in response to an annual deluge of 10,000 complaints from suspicious telephone subscribers. Another five or six hundred wiretaps are annually installed by federal, state or local police armed with legitimate court orders. But the telephone cops, during the only five-year period for which statistics are available, listened in without a single warrant on 1.8 million telephone conversations, ostensibly for the purpose of apprehending toll cheats.

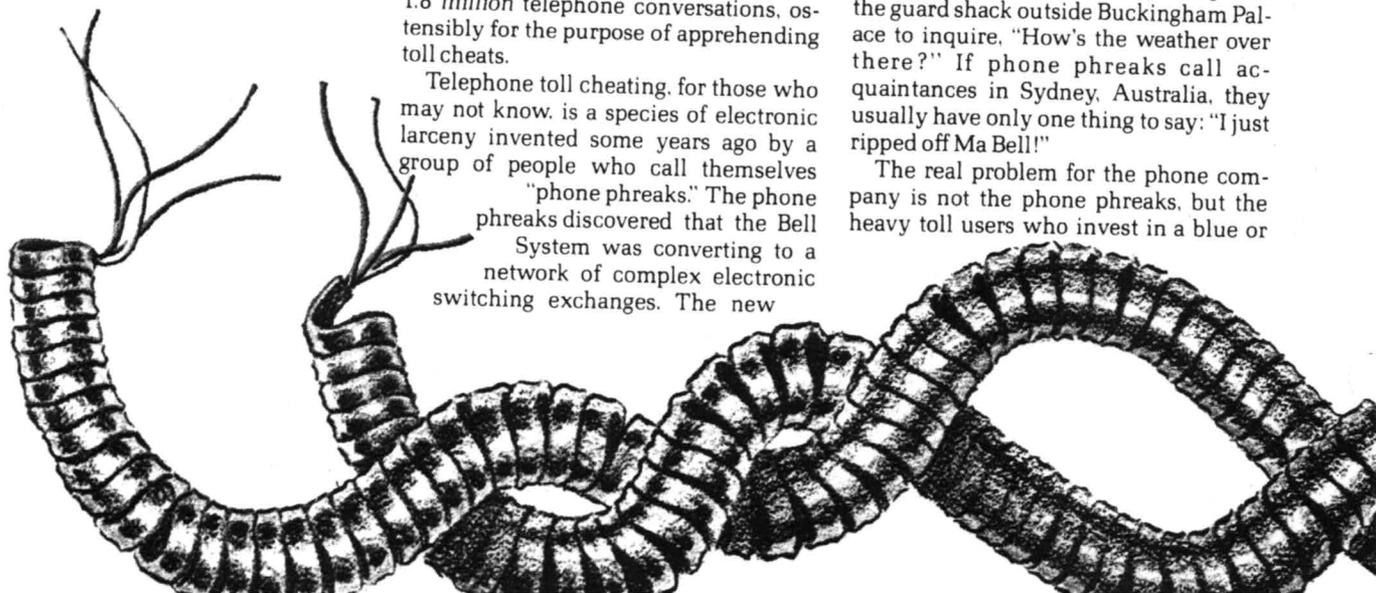
Telephone toll cheating, for those who may not know, is a species of electronic larceny invented some years ago by a group of people who call themselves "phone phreaks." The phone phreaks discovered that the Bell System was converting to a network of complex electronic switching exchanges. The new

exchanges operate through a set of audible tones transmitted over the telephone lines. The phreaks' key discovery was that one particular tone—2,600 cycles per second—can be used to gain access to the long distance lines without leaving any record that might result in a toll charge. To take advantage of this fact, the phreaks devised a little instrument that became known as "the blue box." The device, which is about the size of a small transistor radio and has a set of buttons similar to a push-button telephone, is used to produce the series of tones necessary to make a toll-free call to almost any telephone in the world. Less common, but still very popular among phone phreaks is "the black box," a device that can be attached to one's phone to permit incoming toll calls to be received without charge to the calling party—a sort of do-it-yourself WATS line.

The phone phreaks' underground is comprised of individuals, mostly young, possessed of two distinctly American traits: technical ingenuity and a loathing of the telephone company. Banded together as "The Technological American Party," they publish their own technical journal, TAP, full of how-to-do-it information and hold an annual convention in New York. The convention is well attended by the telephone cops, as well as the phreaks; the former bring along cameras and the latter bring along masks.

William Caming, attorney for AT&T, last year told a House subcommittee that toll fraud has cost the Bell System about one million dollars since the blue and black boxes were first introduced back in the 1960s. But to whatever extent this figure includes long distance dialing by the phone phreaks, it is deceptively inflated. Electronic toll fraud doesn't take money out of Ma Bell's pockets, it just avoids putting any in. Typical phone phreaks' toll calls are not ones they would have made and paid for anyway. Phone phreaks call the U.S. Embassy in Moscow to ask, "What's happening?" or the guard shack outside Buckingham Palace to inquire, "How's the weather over there?" If phone phreaks call acquaintances in Sydney, Australia, they usually have only one thing to say: "I just ripped off Ma Bell!"

The real problem for the phone company is not the phone phreaks, but the heavy toll users who invest in a blue or



black box to reduce their phone bills. The telephone cops say it happens all the time; within the last few months they have accused singer Lainie Kazan, actor ("Love That") Bob Cummings and international wheeler-dealer Bernie Cornfeld of blue box bunco.

To trap the toll cheats, the telephone cops have come up with a new electronic gadget of their own. The device scans telephone lines in search of the tell-tale 2,600-cycle tone the blue box uses to sneak into the long-distance lines. Whenever that frequency is heard by the device, the telephone line is automatically tapped—or, as the telephone cops prefer to put it, "monitored"—and the conversation is tape recorded. However, 2,600 cycles is well within the range of human speech, and the telephone cops' electronic trap often snaps shut on the fully paid-up conversations of solid citizens. Of the 1.8 million calls taped by the device during a five-year period, it is certain that 700,000 did not involve fraud. In fact, in less than two percent of the conversations the telephone cops eavesdropped on was there any legal proof that a blue or black box was in use.

Last year an attorney for AT&T, William Caming appeared before the National Wiretap Commission, a select panel appointed by Congress and the president to review the effectiveness of the federal wiretapping laws. The telephone company lawyer resisted the suggestion of Justice Department officials (James Reynolds, attorney for the criminal division of the U.S. Department of Justice, and Anthony J. P. Farris, the former U.S. attorney for the Southern District of Texas) that the law be changed to require telephone cops to obtain court orders before tapping someone's phone, just like every other police force. That wouldn't work, he testified, for the simple reason that in most cases of suspected toll fraud, the telephone cops wouldn't have enough evidence to get a warrant if they needed one. In other words, the telephone cops wouldn't be able to do their job if they were forced to play according to the rules, and the telephone company's right to collect its dimes transcends the right of thousands of innocent telephone subscribers to converse in private. The commission went along with the telephone company and made no recommendation that the law be changed.

The telephone cops' "no big deal" atti-

tude toward warrantless wiretapping is only a reflection of Ma Bell's generally blasé approach to customer privacy. Telephone company employees are no more scandalized by the prospect of listening in on someone's private chat than the groundskeeper at a nudist camp would be shocked by the sight of naked flesh. Christina Huggins, a former Pacific Telephone Company operator recently revealed that company technicians working in telephone switching centers search the lines until they find an interesting conversation—especially one in which the topic is sex—and switch it to the loudspeaker for the enjoyment of their fellow employees. One woman employee, Mrs. Cheryl Crouse, heard the voice of her husband on the loudspeaker making a date with another woman. He may have been cheating on her, but he wasn't cheating Ma Bell.

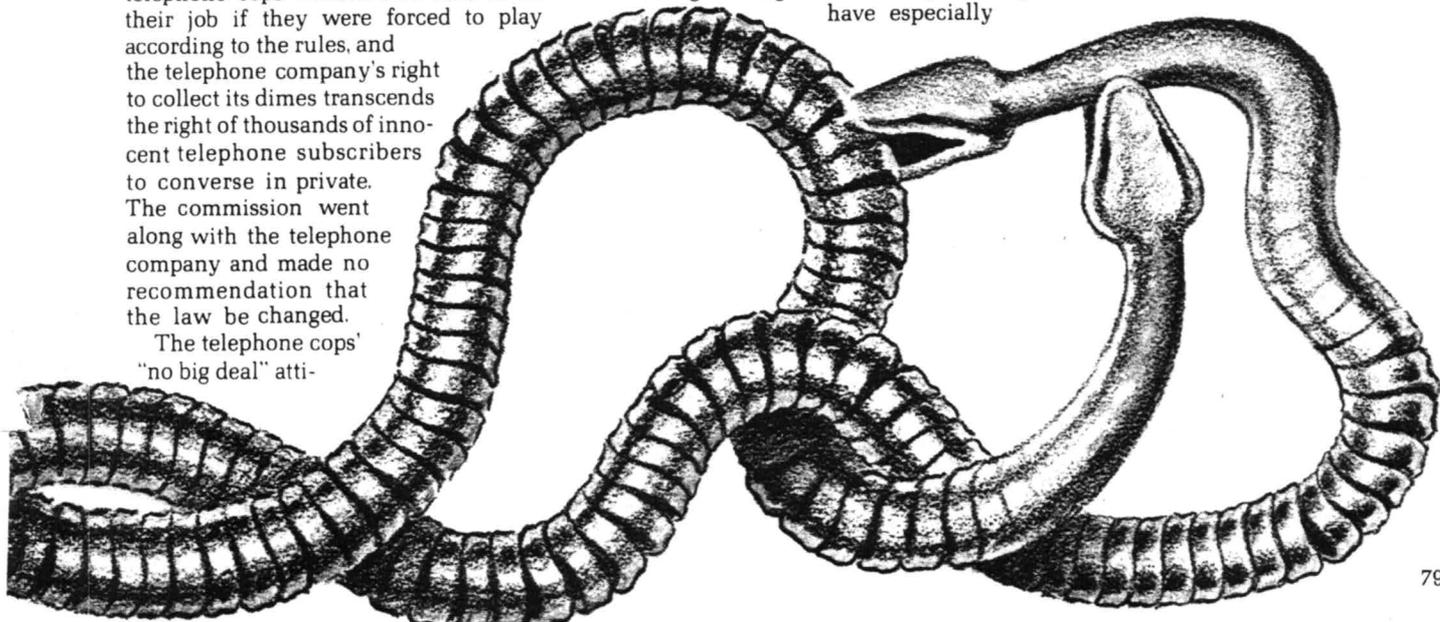
More than ten percent of Ma Bell's customers pay a monthly charge to the telephone company to keep it from listing or otherwise giving out their telephone numbers. But a small Los Angeles newspaper, the Los Angeles Vanguard, recently discovered that Pacific Telephone and Telegraph—a Bell System company—routinely handed over unlisted numbers to the IRS, the FBI, the CIA, the armed services, the police, the governor's office and a host of other agencies including the U.S. Fish and Wildlife Service. Two California telephone customers have filed a class action suit, demanding the company refund the unlisted number charges to the 1.3 million customers who mistakenly thought Ma Bell would respect their privacy.

The privacy of telephone customers' toll records is another area in which the telephone company is sometimes less than scrupulous. The detailed list of the numbers you call, the date and time you called them and how long you talked—form a revealing index of whom you know and what you're up to. Reporters who do most of their information-gathering on the telephone have especially

fascinating toll records, and the FBI, the IRS and other government agencies show a keen interest in getting a look at them. Toll records are not covered by federal wiretapping laws or other statutes, so telephone company employees are free to hand them over to any cop who asks for them, which is what they often did until recently. Since 1974 it is Bell System policy to require a subpoena, except in the case of the FBI, which is still given the records on the strength of a simple written request bearing the signature of the FBI Director.

Advances in surveillance technology have reduced the need for the police to go to the phone company for toll records. A device known as a "telephone decoder" or "pen register" collects the same information when it's attached to the customer's telephone line. The instrument makes a paper tape record of the number you call, the date and time you called it and the length of the call, and it does this for local calls as well as the long distance calls that would ordinarily show up on your toll record. One model of the telephone decoder, manufactured by a company called Voice Identification, Inc., seems to have been designed for use by the telephone cops; the paper tape also shows whether the 2,600 cycle blue box tone was overheard during the call. Because the device does not actually record the telephone conversation, it is not covered by the federal wiretap laws, and can be used by official and private police without a court order. The telephone cops, of course, would not need a warrant to use it even if the device were considered to be a wiretap.

The unrestricted power of the telephone cops to wiretap puts them in a position to do favors for official policemen who want to tap someone's phone but can't quite establish "probable cause" to obtain a court order. The telephone company often recruits its security agents from among the ranks of retired policemen and former FBI agents, so if a police officer doesn't know a telephone



cop personally, he probably knows another policeman who does. The smooth operation of this Old Boy Network is illustrated by the March 1975 disclosure of the association of the Chesapeake and Potomac Telephone Company's Security Office and the Baltimore Police Department's Vice Squad.

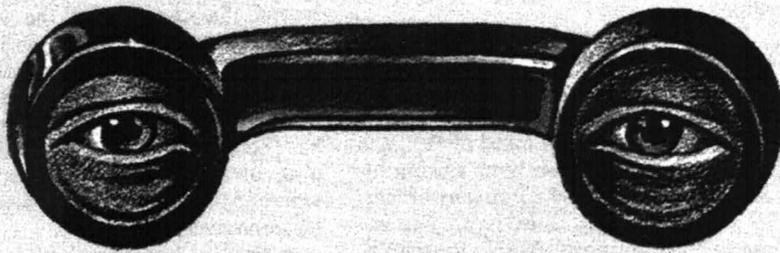
Whenever a vice squad officer suspected that a house or apartment was being used for illegal gambling, he would get the telephone number of the residence and turn it over to a retired police officer, identified only as "Captain Burns," who worked for the telephone company. According to the testimony of former vice squad officer George Guest, the retired cop would arrange to have the telephone cops tap the line and listen in for a few days. Afterward he would get back to the officer and let him know if anything had been heard on the line to confirm his suspicions. If so, the officer would apply for a search warrant, listing "a reliable informant" as the source of his information. One imaginative officer dreamed up a more elaborate explanation of how he came to learn of the illegal gambling. He claimed that the suspect was sitting next to him on a park bench when a dog jumped into the man's lap, knocking to the ground a bag full of lottery slips he was carrying. One officer later testified, "Some of the Vice affidavits were like reading *Grimm's Fairy Tales*."

James H. Ashley, a former official of Southwestern Bell, recently revealed that, "In the past ten years, the Bell System has upgraded its security force, doubling it in size and hiring FBI types who are used to using wiretaps." But the telephone cops don't all belong to a single, giant police force. All Bell System companies and a few of the larger independent telephone companies have their own security departments. The unifying organization that unofficially links most of these security forces is the Society of Former Special Agents of the Federal Bureau of Investigation—the FBI agents' alumni club. The Society, which has been described by one former agent as "Hoover's Loyal Legion," consists of some 5,000 gung-ho ex-agents, about half of the total number of former FBI agents. The Society's membership has included such distinguished peace officers as: Robert Maheu, the Las Vegas private eye and Howard Hughes henchman who allegedly helped recruit Mafia hit men for the CIA's attempts to assassinate Fidel Castro; the late William Harvey, an alumnus of both the FBI and the CIA, also involved in the abortive Castro hits; George Wackenhut, president of the rent-a-cop service that bears his name and director of Florida Governor Claud Kirk's private police force back in the 1960s; Arthur Hanes, a former segregationist mayor of Birmingham, Alabama, and defense attorney for the Ku Klux Klan.

A High Times Guide to Licensed Wiretappers

Agent's Name	Title	Location	Dates of FBI Service
Telephone Company: American Telephone and Telegraph Company			
Joseph E. Doherty	Director of Corporate Security	New York, N.Y.	1949–54
Other Bell System Companies			
New England Telephone and Telegraph Company			
Paul J. Breslin	General Security Manager	Boston, Mass.	1950–56
John J. McGillicuddy	Security Representative	Boston, Mass.	1942–68
Bell Telephone Company of Pennsylvania			
William H. Naylor	Security Supervisor	Philadelphia, Pa.	1940–63
Chesapeake and Potomac Telephone Company			
Paul C. Travers	Special Representative	Washington, D.C.	1935–62
Southern Bell Telephone and Telegraph Company			
Roger H. Allred	General Security Manager	Charlotte, N.C.	1952–58
William R. Cathey	State Security Manager	Nashville, Tenn.	1954–60
James T. Duncan	Division Security Manager	Jacksonville, Fla.	1952–54
Edward L. Hill	Security Supervisor	Macon, Ga.	1966–71
J. Donald Jones	Security Representative	Macon, Ga.	1969–72
Theodore A. King	General Security Manager	Atlanta, Ga.	1954–60
Paul J. Leslie, Jr.	Security Representative	Macon, Ga.	1970–73
Glynn Martin	Security Representative	Atlanta, Ga.	1968–71
Gerald E. McDaniel, Jr.	Division Security Supervisor	Atlanta, Ga.	1965–69
Jerry D. Roseberry	Security Representative	Atlanta, Ga.	1968–70
Clark F. Stone	Security Representative	Atlanta, Ga.	1969–72
Gary B. Sullivan	Security Representative	Atlanta, Ga.	1959–62
South Central Bell Telephone Company			
T. Chandler Josey	State Security Manager	Birmingham, Ala.	1954–59
Howard H. Rice	Division Security Supervisor	Montgomery, Ala.	1963–69
Illinois Bell Telephone Company			
Jerome F. Taylor	Staff Supervisor	Chicago, Ill.	1947–49
Northwestern Bell Telephone Company			
Robert A. Frink	General Security Supervisor	Omaha, Neb.	1947–52
Southwestern Bell Telephone Company			
James F. T. Garner	Security Manager	Topeka, Kans.	1962–66
James A. Handloser	Security Manager	Little Rock, Ark.	1956–64
James W. Hervey	Security Manager	Oklahoma City, Ok.	1960–62
Billy D. Hubbard	Security Supervisor	Houston, Tex.	1964–69
*William J. Jonas, Jr.	Security Manager	San Antonio, Tex.	1962–65
Edwin P. McKaskel	Security Manager	Kansas City, Mo.	1962–65
Richard L. Schultz	Security Manager	Topeka, Kans.	1960–65
*Jerry L. Slaughter	Security Manager	Houston, Tex.	1957–62
T. Edward Umphres	Security Manager	St. Louis, Mo.	1951–59
*James M. Vaughan, Jr.	Security Manager	Dallas, Tex.	1955–65
*Robert K. Wimmer	Security Supervisor	Lubbock, Tex.	1963–68
*William L. Wray	Security Supervisor	Fort Worth, Tex.	1961–66
*Carlton C. Wright, Jr.	Division Security Supervisor	Dallas, Tex.	1967–70
Mountain States Telephone and Telegraph Company			
Glenn H. Bethel	General Security Supervisor	Denver, Colo.	1935–61

*Formerly held commissions as Special Texas Rangers



Agent's Name	Title	Location	Dates of FBI Service
Pacific Northwestern Bell Telephone Company			
Clifford E. Arney, Jr.	Manager	Renton, Wash.	1962-67
Gordon A. Fraing	Security Supervisor	Seattle, Wash.	1951-72
Pacific Telephone and Telegraph Company			
Sam B. Beasley	Chief Special Agent	San Jose, Ca.	1940-46
Non-Bell System Telephone Companies			
United Telephone Company			
Otho A. Ezell	Security Director	Fort Myers, Fla.	1939-60
William J. Quinn	Security Director	Overland Park, Kans.	1951-72
General Telephone Company			
Edwin J. Lange	Security Investigator	Muskegon, Mich.	1951-72
General Telephone Company of California			
William D. Griffith	Security Director	Santa Monica, Ca.	1942-73
General Telephone Company of Florida			
John R. Brett	Security Manager	Tampa, Fla.	1947-71
James E. Hicks	Security Investigator	Tampa, Fla.	1971-73
Herbert E. Mason	Special Agent	Tampa, Fla.	1963-65
Robert C. Rose	Security Investigator	Tampa, Fla.	1969-70
Robert L. Stromberg	Division Special Agent	Tampa, Fla.	1963-68
General Telephone Company of Indiana			
Charles K. Corbett	Security Director	Fort Wayne, Ind.	1937-65
General Telephone Company of Kentucky			
Barry W. Ryan	Security Director	Lexington, Ky.	1965-68
General Telephone Company of Michigan			
Phillip S. Endres	Director of Security	Muskegon, Mich.	1969-71
General Telephone Company of Ohio			
James A. Moore	Security and Internal Audit Director	Marion, Ohio	1962-63
General Telephone Company of Pennsylvania			
Herman C. Littlejohn	Security Director	Erie, Pa.	1942-66
John R. Shay	Security Agent	Erie, Pa.	1952-73
W. Court Soloff	Security Manager	Erie, Pa.	1966-70
General Telephone Company of the Southwest			
George H. Castleman, Jr.	Security Agent	League City, Tex.	1965-70
Kenneth E. Commons	Security Director	San Angelo, Tex.	1941-61
John E. Dailey	Security Agent	San Angelo, Tex.	1949-73
General Telephone Company of the Southeast			
Horace S. Hallett	Director of Security	Durham, N.C.	1935-65
Virgil T. Russ	Security Agent	Dothan, Ala.	1970-71
General Telephone Company of the Northwest			
Oliver T. Mansfield	Security Director	Everett, Wash.	1941-66
Richard L. Ryman	Security Agent	Everett, Wash.	1952-59

The Society's Executive Services Committee functions as a clearing house for top-level private security jobs, insuring wherever possible that such openings are filled by loyal FBI alumni. The company affiliations of the members reads like the *Fortune* 500 list of major American companies. Former special agents hold down senior security positions in virtually every major oil company, airline, automobile manufacturer, aerospace manufacturer and bank in the country. The telephone company security departments are particularly well represented.

Of the 665 security officers who work for Bell System telephone companies, at least 76 are former FBI agents, and most of these ex-agents are in management positions. Joseph Doherty, AT&T's Corporate Security Director and architect of the massive wiretapping program that recorded 1.8 million private telephone conversations, is a member of the Society. Senior security executives of New England Telephone and Telegraph, Bell Telephone of Pennsylvania, Northwest Bell, Mountain States Telephone and Telegraph, Pacific Northwest Bell and Pacific Telephone and Telegraph are also members of Hoover's Loyal Legion. South Central Bell's security manager for the state of Alabama is one of three ex-agents who hold senior posts in that Bell System subsidiary. Thirteen Society members work for Southern Bell, including two General Security Managers, two Division Security Supervisors and the security manager for the state of Tennessee. Southwestern Bell also boasts 13 Society members, all with the title of security manager or security supervisor and scattered throughout Texas, Oklahoma, Missouri, Arkansas and Kansas.

The independent telephone companies are not completely lacking in representation in the Society of Former Special Agents. General Telephone and Electronics—which controls 10 million of the 17 million telephones outside the Bell System—employs 28 Loyal Legionnaires including the security directors of its subsidiaries in California, Florida, Indiana, Kentucky, Michigan, Ohio, Pennsylvania and General Telephone of the Southwest. United Telephone—with 2.5 million non-Bell phones—claims only two, its security directors in Florida and the Midwest.

To suggest that the high concentration of ex-FBI agents among the telephone cops represents a conscious plan to facilitate illegal wiretapping by the Bureau might earn one the title of "conspiracy theorist." Let's just say it's an interesting coincidence that, in the words of one former FBI eavesdropping specialist, FBI wiretappers "find convenient."

The line separating the telephone cops from the official police is nowhere thinner than in Texas, where Southwestern Bell's security department seems to be the local headquarters of the police Old

Boy Network. Of the 44 security agents in the department, 15 are former FBI agents. Until recently, six of the ex-agents and three other telephone cops held commissions as Special Texas Rangers, giving them almost the same arrest and firearms powers as the regular Rangers; in January 1975, the six lost their commissions as the ranks of Special Rangers were depleted in the wake of an attack by a group of state legislators and the Texas Civil Liberties Union. In Houston, Southwestern Bell hired 300 local policemen to moonlight as security guards at telephone company buildings in the area in the early 1970s. Bell also hired Deputy Police Chief W. L. Williams and M. L. "Joe" Singleton, the head of the Police Department's Criminal Intelligence Division, to work part-time managing the off-duty cops.

Southwestern Bell's telephone cops set up a special service called "Law Enforcement Liaison," which hands over to the police information about telephone subscribers. The service does a brisk business answering 10,000 police inquiries annually. Many of these requests simply involve matching a customer's name and address to a telephone number turned up by a police investigation, but Law Enforcement Liaison also releases unlisted numbers and toll record information to the cops. In the face of considerable evidence to the contrary, Southwestern Bell denies that the service also gives the cops "cable and pair" data, information that is almost essential to installing an illegal wiretap.

The cord running from your telephone to the wall contains a pair of wires that connect the instrument to the central exchange, which may be several miles away. After it leaves the immediate vicinity of your house, apartment or office, the wire pair converges with others coming from neighboring telephones. Hundreds of wire pairs are carried within a cable through underground ducts and over telephone poles until they finally terminate in the local exchange switching equipment.

The wiretappers who want to put an illegal bug in your telephone will probably avoid the immediate vicinity of your home or office for fear of attracting attention and discovery (although some disguise themselves as company repair technicians and pretend to be working on the lines). They cannot put on the tap at the local telephone exchange; even if they could get into the building, the tap would soon be detected by one of the many maintenance workers there. That leaves one alternative: tapping into your wire pair in the cable somewhere between your home or office and the telephone exchange. But *which* cable and pair among the hundreds or thousands filling the underground ducts and festooning the telephone poles? That information can come only from someone

with access to the telephone company's wiring plans... from someone like a telephone cop.

The fact that it is often almost impossible to place an illegal wiretap without receiving cable and pair information from someone in the telephone company was very much in the mind of Houston Police Chief Carrol M. Lynn during his recent probe of illegal tapping by officers in his department. Chief Lynn was appointed by the new, liberal city administration of Mayor Fred Hofheinz in 1973. Soon after he took office he discovered the department had carried out a ten-year program of political spying under his predecessor. The Criminal Intelligence Division had compiled thousands of dossiers on citizens having no criminal records or associates. Most of the individuals spied upon were political activists of one coloration or another. The spy files were full of personal information, often including sexual gossip, and much of the data could have been acquired only through wiretapping.

Police in Texas are forbidden to wiretap in any circumstances; court orders cannot be issued to legalize wiretapping

**Many of the accusations
were spelled out
by one Bell official
in a suicide note
that concluded with
the warning, "Watergate
is a gnat compared to the
Bell System."**

by the local cops. This curious state of affairs in one of the country's leading law-and-order states results from Texas's lack of any state law to regulate wiretapping, a situation that made the state a happy hunting ground for wiretappers until 1968, when Congress passed the Omnibus Crime Control and Safe Streets Act. Under the new federal law, local police cannot wiretap unless there is a state law to regulate their electronic eavesdropping; otherwise wiretapping in such states is reserved exclusively to federal agents with federal court orders. Texas will probably remedy this situation soon by passing its own wiretap law, but at the time the Houston cops were compiling their spy files, any wiretapping on their part would have been a federal crime. Chief Lynn launched an internal investigation to learn how the information had been obtained.

The probe disclosed that 62 Houston police officers had conducted more than a thousand illegal wiretaps during a seven-year period. Lynn charged that some 200 employees of Southwestern Bell had cooperated with the police in the

illegal tapping. Many police officers in Houston and other Texas cities confirmed the charge that the telephone company was very cooperative in placing illegal taps. A Southwestern Bell spokesperson said the company could not deny that some of its 14,000 employees might have been involved in the illegal wiretapping, but stressed that this would be a violation of company policy and grounds for immediate dismissal.

In practice, however, there is little risk to the telephone cop who helps the police install an illegal wiretap because of the security force's autonomy within Southwestern Bell. In a wire service interview, the chief telephone security agent in Houston, Jerry L. Slaughter, revealed that he can demand cable and pair information from other telephone company employees on the strength of his simple assertion that a court order for wiretapping exists. He doesn't have to show anyone the warrant, and there is no system to check his statement. The cable and pair information is given to him over the phone, so apparently there is no written record of the request. According to Slaughter, misuse of this power is prevented by "my integrity and the integrity of my co-workers."

The telephone cops' denials that they had cooperated in the illegal tapping were not borne out by later developments in the case. Several of the Houston cops named by Chief Lynn were indicted by a federal grand jury, and the testimony given in their trials confirmed the police chief's charges that Southwestern Bell had aided in the tapping. Anthony V. Zavala, one of the indicted officers, testified that he had received cable and pair information from the telephone cops on a half dozen occasions, and that Southwestern Bell had also handed him customer toll records without a court order.

While several Houston police officers were convicted of wiretapping last March, none of the Southwestern Bell telephone cops were brought up on related charges, a fact later cited by Southwestern Bell vice-president Charles Marshall as proof that the charges against the telephone company were unfounded. But the absence of prosecution of telephone cops seems to have been a result of the FBI's lack of enthusiasm for pursuing the matter; Anthony J. P. Farris, a former federal prosecutor in Houston, says he had a lot of trouble getting the local FBI field office to take any interest in the case. When he finally put his demands for action in writing in a letter to the Bureau in April of 1974, the field office assigned one agent to the case, a sleuth whose investigative reports consisted mostly of photocopies of newspaper clippings reporting on Chief Lynn's probe.

The listlessness of the FBI probe of the telephone cops may have been caused by the fact that those Southwestern Bell security officers with the greatest respon-

sibility for any illegal taps were themselves alumni of the Bureau. Perhaps more important was the knowledge that any thorough probe of the illegal wiretapping in Texas would soon lead back to the Bureau itself; according to the testimony of several Houston cops, the local FBI office was one of the chief consumers of the information gleaned from the taps. And ex-officer Anthony Zavala revealed that the FBI field office had its own illegal taps, presumably installed through the cooperation of the telephone cops. The Houston police had to take the fall all by themselves.

Not all of those indicted were convicted, however. Nine officers were acquitted by jurors who later told the press. "We did not think these were evil men. Most of us felt we want the police force, and that they are hampered enough as it is," and "I sincerely believe that they had no evil intentions or a bad purpose in anything they did." Which may have been a particularly bitter pill for Chief Carrol Lynn. His resolve that the Houston police obey the law made him the target of a harassment campaign by the Houston Police Officers Association. In June 1975, the cops took out a full-page newspaper advertisement attacking him, and the resultant public pressure forced him to resign. That development must have cheered the telephone cops particularly, for it was Chief Lynn who first accused them of illegal wiretapping.

Investigating individuals who make "false allegations" against Southwestern Bell is yet another task of the telephone cops, according to Jerry L. Slaughter, Southwestern Bell's chief security man in Houston and a former FBI agent and Special Texas Ranger. Slaughter, in a wire service interview, cited as examples of such "false allegations" recent charges by some Southwestern Bell executives that the company had been engaged in unfair rate-setting, political slush funding, and yet more illegal wiretapping. Many of the accusations were spelled out by one Bell official in a suicide note which concluded with the warning, "Watergate is a gnat compared to the Bell System."

The Southwestern Bell executive who took his own life was T. O. Gravitt, the \$90,000 per year vice-president in charge of Texas operations. Shortly after he took over that job in 1973, Gravitt was contacted by his old friend James H. Ashley, then Southwestern Bell's general commercial manager. Texas was then the only state in the union without a public service commission, so it was Ashley's job to press for telephone rate increases in negotiations with the city councils in 200 Texas cities. He reportedly told Gravitt that Southwestern Bell was using deceptive accounting practices to justify its demands for inflated telephone rates.

Gravitt and Ashley began to work for

reform of Texas rate-setting practices within Southwestern Bell. They raised the issue with higher officials in the company, but their efforts were cut short by the telephone cops, who suddenly began to investigate "allegations of impropriety" on the part of the two phone company executives.

"Practically every security man in Southwestern Bell was on our case," Ashley later said. "I was told the investigation was aimed at Gravitt and that nothing would happen to me if I cooperated. Gravitt was told it was an investigation of Ashley."

In fact, the telephone cops seemed out to get as much dirt as possible on both men. Gravitt learned that more than 150 company employees had been asked whether he had solicited gifts from them, made passes at women workers or asked his subordinates to "fix him up" with female companions. On October 17, 1974, convinced that both his reputation and career were ruined, Gravitt started his car inside the closed garage of his Dallas home, climbed behind the wheel and went to sleep.

After Gravitt's body was discovered, Southwestern Bell officials descended on

**If your telephone
has ever been tapped,
the odds are
well over a thousand to
one that it was the
telephone cops who
tapped it.**

the dead executive's home and rifled through his papers. A telephone company man tried to make off with one of the documents, but was caught in the act by one of Gravitt's sons. The younger Gravitt had discovered that it was his father's suicide note, and it was dynamite. The note charged Southwestern Bell with creating a \$100,000 slush fund by raising the salaries of telephone company executives who then "voluntarily" contributed the additional money to the fund. The slush fund was used for political contributions and other payoffs to officials who control Southwestern Bell's telephone rates.

Gravitt's charges were further elaborated by James Ashley, who was fired by Southwestern Bell after his friend's death. Ashley claimed the telephone company operates a secret wiretapping system to collect financial information about some of its largest customers in Houston, San Antonio, Dallas, Fort Worth and Lubbock. He further charged that Southwestern Bell used its telephone cops to eavesdrop on the city officials who have the power to approve

or deny the company's rate requests.

"When I went to a city to negotiate a rate increase," Ashley said, "I knew everything there was to know about the officials who would lower the rates. How much they owed, whom they were sleeping with, if they could be gotten to."

If a city councilman was in financial trouble, the telephone company would throw some business his way as a favor; if that didn't work, they would pressure him through the banks from which he had borrowed.

"If a city official was having an affair with some woman," Ashley said, "we didn't have to spell it out for him to get his cooperation. All we had to do was ask how Mrs. So and So was getting along. . . . If we didn't have information on the councilman the company would just tap a few telephones. Pretty soon we'd know everything we needed to know."

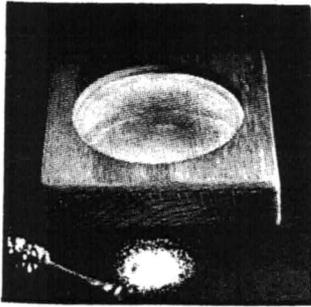
Spokespersons for the Bell System quickly denied the charges against Southwestern Bell, but similar stories were unfolding in several other states. After reading of Gravitt's suicide note in October, 1974, John J. Ryan, former vice-president in charge of Southern Bell in North Carolina, reportedly said he had administered a political slush fund along the same lines as the one described by Gravitt and Ashley; some of the money was contributed to congressional and gubernatorial candidates in the 1972 election. William R. Clark, a member and former chairman of the Missouri Public Service Commission, resigned after the April 1975 disclosure that he had been a guest of Southwestern Bell on a hunting trip; the company maintained an 11,000 acre hunting preserve near Uvalde in south central Texas where public officials were invited to shoot deer and pheasant from padded swivel chairs in carpeted shooting blinds. In Kansas, two members of the state Corporation Commission—Dale E. Saffels and Vernon Stroberg—admitted they had taken an expense-paid trip to Las Vegas, courtesy of Southwestern Bell; it was later disclosed that all members of the Commission held special toll-free telephone credit cards issued by the company. Similar revelations of slush funding and entertaining of public service commissioners were made by Bell System executives in South Carolina, Georgia, Florida, Arkansas, Tennessee, Kentucky and Illinois.

Southwestern Bell continues to deny the charges made by Gravitt and Ashley, and the company will eventually have its day in court; a \$29 million slander and libel suit by James Ashley and the family of T. O. Gravitt against the telephone company is pending. However, the Texas Senate Subcommittee on Consumer Affairs carried out its own investigation of Southwestern Bell and found that the telephone cops had cooperated with the

(continued on page 123)

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(continued from page 83)

official police in illegal wiretapping; that the company had used deceptive accounting practices to seek inflated telephone rates, and that the company had improperly influenced Texas public officials through a program of political contributions and other favors. In its report, the subcommittee wrote: "The company has squandered time, energy, and brainpower on a continual quest for political influence, when it might have better employed such energies in economizing its own operations."

But the Texas Senate Subcommittee seems to have missed the point: the problem with the Bell System is not that it hasn't spent a wealth of time, energy and brainpower on improving its efficiency. The telephone company is a marvel of efficiency, and that, ultimately, is the root of the problem.

AT&T is a well-oiled machine built to do two things: make money and provide telephone service. Because it does those things so well, it is the fourth largest company in the world. If the Bell System were as sluggish and inefficient as, say, the postal service, we would never grant it a monopoly to control 83 percent of our telephone service. We would never indulge it by letting it raise a small army of former federal agents. And we would never grant it a legal license to conduct wholesale wiretapping.

Back in the 1920s and 1930s, some people used to say in defense of the Italian dictator Benito Mussolini that he got the trains to run on time. That may have been so, but history showed the Italians they would have been better off making Mussolini head of the railroads than head of their country. When things get too efficient, freedom has to adjourn to the mountains.

The telephone cops are the shock troops of the Bell System, the intelligence service of a mammoth commercial enterprise. It costs a lot to run a private police force, and you can be sure the telephone cops earn their keep. They are merely another instrument of Ma Bell's awesome efficiency.

Ma Bell says the telephone cops are saving us money, too; if they didn't catch those toll cheats, you and I would have to make up the difference through larger phone bills. But aren't the telephone cops themselves responsible for larger phone bills when they compile "blackmail" files on public officials who set telephone rates? And how much are they supposed to be saving us, anyway? How much have we been paid to surrender our privacy to them?

Ma Bell says don't worry your head about those things. She says pick up your telephone and call somebody. She says it's, oh, so good to hear you smile. ☐

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