

WARNING NOTICE  
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

27 JUN 1974

MEMORANDUM FOR: Director  
Federal Bureau of Investigation  
ATTENTION : Intelligence Division  
SUBJECT : MITCHELL LIVINGSTON WERBELL, III

1. Reference is made to your Bureau's File No. MM 105-21382, Subject as above, and your Bureau's reporting on Subject's involvement with the "Abaco Independence Movement" (AIM) in the Commonwealth of the Bahamas.

2. For your information only, three former employees of this Agency were contacted in June 1974 by representatives of a group called "Friends of Abaco," a group allegedly advocating the secession of the island of Abaco from the Commonwealth of the Bahamas. Contact was initiated by Mitchell Livingston WERBELL III, an international arms dealer, and a naturalized Lithuanian named Michael OLIVER, both of whom attempted to involve the former Agency employees in the Abaco Independence Movement (AIM), of which your Bureau is familiar. The three former employees contacted are:

- a. John Patrick MULDOON  
DPOB: 25 August 1937, Washington, D. C.  
Retired from this Agency on 20 March 1972  
Address at time of retirement:  
4305 Kentbury Drive  
Bethesda, Maryland

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b. [redacted]  
DPOB: 14 July 1919, Washington, D. C.

Retired: 31 July 1970

Address at time of retirement:

2918 Hardy Avenue

[redacted] Maryland

Note: [redacted] was rehired on a contract basis in February 1971. His contract was terminated September 1973.

c. Walter Joseph MACKEM

DPOB: 13 December 1937, Omaha, Nebraska

Separated: 31 October 1973

Address at time of separation:

2609 N. Potomac

Arlington, Virginia

3. Mitchell Livingston WERBELL III, the principal owner of the arms manufacturing firm Defense Systems International and an international arms dealer, has been encouraging a group of Bahamian citizens on the island of Abaco who seek to secede from the Bahamian Commonwealth. In this affair WERBELL has been collaborating with a group based in Miami called the "Friends of Abaco." Active in the Friends of Abaco is Michael OLIVER, a wealthy land developer residing at 2089 El Rancho Drive, Carson City, Nevada. OLIVER, a naturalized U. S. citizen, was born Moses OLITSKI on 11 December 1928 in Lithuania.

4. In encouraging persons in Abaco to seek independence of Nassau, OLIVER's apparent motive is to establish a prototype government based on principles of free enterprise expounded in a paperback book which he has authored called "A New Constitution for a New Country" (Fine Arts Press, Reno, Nev. - 1968). WERBELL, on the other hand, has privately expressed a desire to establish a tourist mecca on Abaco to include hotels, recreation facilities and gambling casinos. Officials of Holiday International, a Baltimore firm specialized in recreation and health spas, have been briefed by WERBELL and OLIVER recently on the Abaco movement. Robert A. C. HAMILTON, 13th Lord of Belhaven and Stenton and a member of the

Friends of Abaco, on 10 June 1974 sponsored a resolution in behalf of the Abaco Independence Movement on the floor of the British House of Lords, following conversations with WERBELL in Washington in late May.

5. Despite the seeming innocence of the enterprise, however, we have observed that WERBELL, in particular, has made a concerted effort to involve persons formerly affiliated with this Agency in the activities of the Friends of Abaco in support of Abaco's independence. On several occasions, involving at least two former officers of this organization, MULDOON and [redacted] cited above, WERBELL has introduced them as presumably active Agency officials in such a fashion as to imply, according to the persons involved, that either this Agency or the United States Government supports the aims of the Friends of Abaco.

6. Most recently, WERBELL has proposed to both retired officers in separate conversations that they conduct a study, involving a visit to Abaco, to determine the feasibility of Abaco's independence in political and economic terms. The study would include interviews with citizens on Abaco prior to an alleged "plebiscite" on independence to take place in Abaco on 28 June 1974. To be included in the investigation is research on the probable reaction in the United Nations Organization to a petition from political groups in Abaco for support on independence, notably any parallels to be found in precedents such as the Biafra secession from Nigeria.

7. Andrew ST. GEORGE, a nationally known free-lance writer, has become active in WERBELL's organization and claims to be preparing an article on WERBELL and the Abaco movement for publication in True Magazine. ST. GEORGE has participated in the several meetings that WERBELL, OLIVER and their associates have had with the two retired Agency officers, Mr. John MULDOON [redacted]  
[redacted]

8. In default of the collaboration of either MULDOON or [redacted] WERBELL and OLIVER have hired Walter Joseph MACKEM, a former Agency friend of both MULDOON and ROUSSOS.

9. John MULDOON is currently employed as the Washington representative of the firm Security Consultants International, a subsidiary of the Atlanta (Ga.) detective agency, Central Investigative Agency. [redacted] is not employed.

FOR THE DEPUTY DIRECTOR FOR OPERATIONS:

/s/ David A. Phillips  
David A. Phillips

CIRA-0371-74

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