

8/17/78

Jim -

Over the years you have lived with my errors, mistakes, weaknesses and foolishness. They have been many. I am very willing to live with the errors of others, including yourself, because we really are a family, and I would not place the curse of perfection (or the expectation of same) on anybody, and surely not you.

I do, however, want to continue the discussion of putting legal strategy over the radio because it is a serious error.

Though it is very likely telephone communication between Georgetown and San Francisco would be intercepted, the point is that different uses can be made of the information. Telephone is confidential. It cannot be brought into court as evidence. - By contrast

radio communication is a public medium and all material so communicated constitutes evidentiary material and can come into court, that is exactly what Tim did. It was the only plausible point he made in response to our lawsuit. I did make this point at the time.

BB-10-2-1

JIM:

WHILE DOING THE LEGAL WORK ON THE VARIOUS LAWSUITS WE HAVE BEEN FOCUSING ON THE VARIOUS PROBLEMS THAT CONFRONT US. THE LAWSUITS ARE A MAJOR ISSUE. THEY WILL CERTAINLY RESULT IN JUDGEMENTS, AT LEAST THE KATSARIS AND MAYBE THE MEDLOCK. THESE JUDGEMENTS WILL BE USED TO HARASS US AS LONG AS WE OPERATE IN THE STATES. IT WILL COST A WHOLE LOT OF MONEY TO DEFEND THEM. WE DON'T THINK IT IS WORTH IT BEYOND A REAR GUARD TYPE ACTION. THE BEST THING WE CAN DO IS TO SELL THE REMAINING THREE PROPERTIES WE HAVE IN THE NEXT 90 DAYS FOR THE BEST PRICE OBTAINABLE AND GET OUT. IF WE WANT TO LEAVE LEONA AND A FEW BACK TO PLAY CHURCH AS THEY MIGHT LIKE THAT IS O.K. TILL THE LAWSUITS PUT TOO MUCH HEAT ON THEM, BUT FOR THE MOST PART WE THINK THE GAME IS UP THERE.

OF COURSE THIS LEAVES US IN A SEVERE FINANCIAL PREDICAMENT HERE. THE PREDICAMENT WILL INCREASE AS OUR POPULATION INCREASES. WE DO NOT FEEL THAT AS THE COMMUNITY IS NOW STRUCTURED IT CAN EVER BE FINANCIALLY SELF SUFFICIENT (WE HAVE PUT 20 TIMES MORE EFFORT INTO BAND AND KARATE IN THE LAST SIX MONTHS THAN INTO THE CONSTRUCTION OF A SAWMILL) AND WE SEE THAT HISTORICALLY SMALL, SELF CONTAINED COMMUNITIES HAVE ALWAYS FAILED. IT SEEMS THAT WE SPEND SO MUCH TIME DEALING WITH DAY TO DAY TACTICS, STAVING OFF ONE SITUATION AND IN THE PROCESS CREATING THE NEXT; THAT WE DO NOT CONFRONT THE BASIC, ULTIMATE PROBLEMS OF OUR COMMUNITY. IN A NUTSHELL THEY ARE THAT OUR FINANCIAL RESERVES ARE INSUFFICIENT TO OPERATE ON IN THE LONG RUN, THAT THEY ARE BEING DESTROYED BY INFLATION, THAT WE ARE NOT ON OUR WAY AT ALL TO BECOMING AN ECONOMICALLY SELF SUFFICIENT COMMUNITY, AND THAT WE WILL NOT BE SUCH AS LONG AS WE SPEND MOST OF OUR TIME FIGHTING REAR GUARD ACTIONS AND WE ARE NOT SUFFICIENTLY SECURE TO DEVELOPE BUSINESSES WHERE THE MONEY IS, NAMELY IN GEORGETOWN. SO LONG AS WE HAVE TO COVER OUR ASS, SO LONG AS P.R. HAS PRIORITY OVER PRODUCTION, SO LONG AS WE ARE NOT FREE TO INVEST AND USE OUR MONEY IN TOWN, WE WILL NOT MAKE IT HERE. UNFORTUNATELY TIME IS VERY MUCH AGAINST US NOW.

Gene Oliver

*I basically concur with this
analysis -*

Sam J

BB-10-j

JIM:

BEFORE MARK LANE LEAVES I FEEL THAT THERE IS A SEVERE PROBLEM IN THE KZTZARIS SUIT THAT WAS NOT CLEARLY STATED. I DID MY BEST TO HINT AT IT LAST NIGHT BUT NO-ONE TOOK IT UP. THE FACT IS, AS YOU MAY RECALL, THAT THE STRATEGY FOR MARIA TO CLAIM THAT SHE WAS MOLSETED BY HER FATHER, TO BE USED AGAINST HIM, WAS COOKED UP IN A P.C. MEETING ABOUT NOVEMBER OF 1976. TIM STOEN WAS THERE AND AS I RECALL PARTICIPATED IN DEVELOPING THE STRATEGY. OF COURSE IF THAT COMES OUT IN COURT (I GUESS OTHERS WERE THERE WHO HAVE NOW LEFT) WE WOULD BE TOTALLY ANNILATED. STOEN MIGHT ALSO BE - BUT THAT WOULD NOT BE OF HELP TO US.

WETHER THIS ~~XXX~~ IS SOMETHING THAT YOU WISH TO DISCUSS WITH MARK IS UP TO YOU. HOWEVER, ANY ATTORNEY THAT IS CONFRONTED WITH ANY SUCH SITUATION IN COURT FOR THE FIRST TIME WITHOUT HAVING BEEN TOLD BY HIS CLIENT IS GOING TO BECOME A BITTER ENEMY ON THE SPOT. IT WILL BE ESSENTIAL TO DISCUSS THIS WITH WHATEVER ATTORNEY TRIES THE CASE PRIOR TO THE TIME HE STARTS DISCOVERY SO HE CAN BEST DEFEND AGAINST IT.

FURTHER, TAKING ANY ATTORNEYS ADVICE WITHOUT GIVING HIM ALL OF THE FACTS IS EXTREEMLY DANGEROUS. HE WILL ERR BECAUSE OF HIS LACK OF INFORMATION, AND IN RELYING ON IT WE WILL BE SERIOUSLY INJURED. THE FACT THAT STOEN MAY HAVE ORIGINALLY ADVISED THIS STRATEGY IS OF NO HELP TO US. IT IS NOT A DEFENSE - BUT SIMPLY MAKES HIM ANOTHER POTENTIAL DEFENDANT. THAT STATE OF AFFAIRS ITSELF GIVES SOME RAY OF HOPE THAT HE MAY NOT USE IT. AT ANY RATE I AM SURE THAT IF HE KNEW THIS INFORMATION HE WOULD EVALUATE THE RISK IN SUBSTANTIALLY DIFFERENT TERMS.

GENE
P.S I AM NOT WRITING THIS IN ANY ATTEMPT TO SET POLICY, I AM NOT SURE WHAT IS BEST TO DO, BUT I DID WANT TO REMIND YOU OF THE SITUATION BEFORE ANY POLICY WAS DEFINATELY SET SO AS TO BE HARDER TO DEAL WITH LATER. WHATEVER WE DECIDE IN THIS REGARD WILL BE ACCEPTABLE TO ME.

BB-10-X