



STATE OF OREGON

cc: Bob Oliver
John Williams
INTEROFFICE MEMO

TO: Governor

DATE: October 29, 1984

FROM: Gerry *Gerry*

SUBJECT: "Rajneesh Update

Monday, October 22, 1984

10:50 a.m. KD calls office. I don't accept call. Call transferred to Oliver.

11:04 a.m. Bill Gary reports Judge Leavy has ruled in favor of the state on all counts in election fraud case.

11:07 a.m. Oliver reports KD's call was to pass on a threat received plus plead again for communication.

12:24 p.m. KD called to report Doctor in Madras accosted by several people. Car smashed. Local law intervened.

850 people coming from Tennessee -- anti Rajneesh.

2 or 3 calls in last 1/2 hour relative to election hearings process. Threatening people who would go to The Dalles. Work out an arrangement for hearings in Rajneesh Ranch. Their attorney will call Secretary of State's office.

Pleads again for communications. Said everything at a critical stage. He feels he has now been given the power to help settle things and hopes feelings & attitudes won't get in the way. Would really like to talk. I told him not now; let some time pass, then we will see.

12:55 p.m. Mathis called. Bob Lamm had relayed my message of Sunday -- no communication, etc. Asked me if I had ever read congressional mandate. Says Lamm has changed whole procedure out of respect for Governor. Race relations in U.S. are very poor. Ku Klux Klan on the move in Idaho, Oregon. Not supporting state or Rajneesh, just want to resolve. Minorities will be victims if anything happens. Mathis is neutral. KD & Sheela refused to meet with State -- Mathis says he personally convinced them to meet.



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Wednesday, October 24, 1984

Gene Maudlin reports that PUC has a case against Rajneesh for illegal hauling. Should he hold until after election? Advised him yes, if he can do so legally.

Advised Don Clark of Fiskum's appointment. Very pleased.

Bill Gary briefing on AG's meeting with John Mathis -- which was not too different from expectations. Mathis was candid - admitted he was too close to the situation and is now trying to get out of it. Mathis goal is to build trust between state and Rajneesh. Reported tensions are high. Rajneesh want to "live in peace within their own city." If agreement can be reached, they are prepared to discontinue the "Share-a-Home" and get the street people out of here. AG told Mathis, "No trade."

Rajneesh are fighting for survival which means they need a city with political and economic power. Sheela has a split within the commune. KD and Jay think they can negotiate -- Sheela wants no negotiation and threatens to bring in another 10,000 to 15,000.

They have suggested a reservation be established for them. No one -- not federal or state -- has authority to establish a religious reservation.

Mathis reports CRS has deviated from usual practices and are now re-examining their involvement.

We can expect Rajneesh demonstrations in The Dalles leading up to election day. Sheela is up tight. Street people are causing a threat to her power base and she is in danger of losing control. AG was urged to visit the ranch. Sheela needs recognition as a leader.

Mathis asked AG to help persuade Governor to accept Mathis' rumor control proposal.

Governor's meeting with Mathis.

Governor expressed his concerns about forming a task force, i.e. another layer, unacceptable proposed names.

Also, again discussed rumor control center.

Bill Hocksley of The Dalles called to report rumors.

Laura Bentley and Jean Oprey meet with Governor. Concerns centered on harrassment and on-going building at the ranch.

Friday, Oct. 26, cont.

KD - cont.

since last weekend. There is only a tiny, tiny bit of light at end" -- but, it is obvious to us Sheela is not interested in peaceful coexistence. Her actions speak more loudly than KD's or Jay's words. KD advises they are trying to make Sheela understand. KD wants to know where we go from here. Told him up to them now.

KD very worried about all threats they are receiving. Told him to keep reporting to OSP.

Called Pankratz about threats. How valid? Pankratz says, "no substance."

Bomb threat twice. OSP investigated twice. One was hate mail sprinkled with baking powder; another was a package of beads.

Number of threats is not extraordinary for a group of this nature.

Rumor control calls have dropped off dramatically.

Estimate that 1,102 street people have left (maybe as high as 1,500).

Lt. Trueblood called to tell of bus headed to Portland but came through The Dalles. Bus dropped off newspapers, remained in area, then headed on to Portland. Concerned that no one was informed by OSP.

Kopperud called with same information. Worried about potential drops in Dufur & Maupin. Told Kopperud to be sure contingency plan coordinated with OSP.

Dave Fiskum ("Swami") reported he had been in Portland all day. Good meeting with Col. Riley and staff. Dave has been assigned OSP pager #20 and radio call #9598.

Everything is fine with Salvation Army. Good support -- contributions are averaging \$500 to \$1,000 per day.

Saturday, October 27, 1984

Message that KD was trying to reach me. I did not return call.



STATE OF OREGON

INTEROFFICE MEMO

Governor

DATE: November 1, 1984

FROM: Gerry Thompson

SUBJECT: Rajneesh Update

October 28, 1984

Kopperud is worried about tavern across from the armory. High potential for problems during Paulus' hearings. Also, in process of developing contingency plans if any "drops" occur in Dufer or Maupin.

Fiskum reported from Portland. He is on Pager 20; radio 9598. Has had good meetins with Salvation Army Stoops and Trailways.

As of today, Salvation Army has supplied 441 bus tickets. Average donations \$500 to \$1,000 per day.

October 29, 1984

Mathis called to relay attached information.

Mathis calls a second time. Wanted to know if we had heard Sheela's press conference. Answered no. Mathis briefed me and emphasized Sheela's line about "a joke." Also informed me that Rajneesh demonstration at Norma Paulus' office were not Rajneeshees from the ranch or Portland. K.D. and Sheela were unaware.

October 30, 1984

Mathis called. Wanted to know our reaction to Sheela's press conference and informed us of K.D.'s press conference to be held this evening.

When asked why Sheela's action, Mathis thinks it is because they are convinced now that their approach has been wrong and the state has gone as far as it will go.

Asked Mathis what next. Says Rajneesh are waiting to see what Governor's reaction is.

Mathis also has been told by Sheela and K.D. that very few homeless will be leaving the ranch and their share-a-home project will be phased out. I emphasized to Mathis again the need to get "tickets home" paid by Rajneeshpuram.

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Rajneesh Update

October 30, 1984 (cont.)

Asked Mathis what Sheela's expectations are. The same: resolve the land use issue and the church/state issue. They still feel they "have been the exception."

CRS is developing a public relations program for the Rajneeshees.

October 31, 1984

Heard that Ryles, Katz and Mason would be asking the Emergency Board for \$10,000 to go to Stoops. Tried to discourage Ryles with a logical argument.

Ryles calls back. Ryles, Katz and Mason will meet with Fiskum 7 a.m. Friday to discuss alternatives.

Fiskum reports Caroline Miller happy with his appointment. Still wants a Governor's think tank.

Don Clark is opposed to Ryles' idea. Fiskum has set meeting for Gerry and Ned Look. Fiskum and Barb Carey exploring ideas for benefit drive to offset Salvation Army's costs.