

The Folkenberg Story Continues to Unfold

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We keep thinking we have arrived at the end of this tragic episode in Adventist Church history. But more details continue to be revealed.

I almost included an item of information in my recent study, *The Strange Saga of James Moore*. But, at the last minute I omitted it. Surely, it could not be true. But new facts corroborate it.

Early 1980s—Two different faithful Advent believers (one of whom lived in Central America in the early 1980s and another who flew there frequently to help in mission work) told me, separately, that Robert Folkenberg would fly computers into Central America in his twin-engine plane. One friend, a pilot who knows airplanes, said Folkenberg's plane was large enough to carry sizeable loads. Both told me that Folkenberg would land at small airports or even in open fields. As soon as the plane stopped, associates would run out, unload the computers, and haul them off. They would then be sold at lower prices, since they had been illegally brought into the country duty-free.

Eventually, one of the national governments (Honduras or Guatemala; I do not recall which one) heard about what was happening; and, as they prepared to arrest Folkenberg, someone warned him. That was the reason he quickly left for the United States, where, at the Carolina Conference Constituency meeting, he was elected to the presidency of that conference, on the recommendation of the Southern Union president, Al McClure. Whether McClure knew the background of the problem is not known.

(Several years ago, we had reported that it was Neal C. Wilson who helped get Folkenberg into the Carolina Conference.)

Now that Robert Folkenberg is no longer General Conference president, facts are gradually emerging,

Information has been supplied by individuals who worked with Folkenberg in the Inter-American Division or worked with him since his return to the

States.

Here are the latest disclosures:

1 - Early 1970s—One man who flew with him on a trip from Honduras to the U.S. told how Folkenberg landed briefly at an airport in Mexico. Then, with the passenger watching, took cameras from the backseat and loaded them into the engine compartment, frankly commenting that he could purchase those cameras for about \$200 in South America, but that they were worth about \$1,000 in the U.S. Lifting off, they landed in America. The cameras were not declared and no duties were therefore paid. This would be understandable, since Folkenberg was a high-ranking church official and customs agents would not be expecting such activities of Adventist leaders.

2 - Early 1980s—ADRA needed to purchase some new computers. They contacted someone, at the General Conference, who put them in touch with Folkenberg. He told them he could get computers for them at a 40% discount. But there were two stipulations:

First, they would need to hire "independent consultants" to assess ADRA's equipment needs and prepare a list of equipment which they might wish to purchase. Folkenberg suggested two friends who would be the consultants.

Second, the computers, purchased from a Florida firm, would first have to be shipped to South America and then back again. In this way, ADRA would receive the 40% discount.

Checking into this, ADRA learned that the Florida firm was owned by Folkenberg's two "consultants and by a "blind trust." Try as they might, they could not learn who was in that trust.

After purchasing the computers, ADRA learned that they could have purchased the equipment locally for less than the "40% discount" price they paid the Florida firm.

Eighteen months later, ADRA had to scrap the "40% discount" computers, because they would not

operate properly.

Do not underrate Folkenberg's "business abilities." The ADRA computer scheme was a very complicated one and opens to view a business structure which was in place, which Folkenberg was apparently using for business deals with others.

3 - Mid-1980s—Church leadership had known, for years, of Folkenberg's ongoing relationship with James Moore. While Folkenberg was still in Central America, leaders urged him to separate from Moore, which he did not do. It was assumed that he would break those contacts when he returned to the U.S. Unfortunately, that did not happen.

4 - 1990s—One wealthy church member has, for years, been paying Folkenberg several thousand dollars each month, funneling the money through a special "presidential fund."

This "side income" was over and above the money laundering scheme, in 1990-1991, when over \$20,000 was given, through the Columbia Union "Worthy Student Fund," to the wives of Folkenberg and McClure—until David Dennis complained enough that it was stopped by ADCOM.

5 - 1990s—Folkenberg and Moore had, for many years, been business partners in a variety of projects. We will probably never learn about them all. Additional information has surfaced about Folkenberg's projects with Moore in the 1990s:

Folkenberg's name appeared in many of James Moore's business prospectuses.

Folkenberg traveled to far countries with Moore, introducing him to heads of state and promoting Moore's projects. He also recommended some "patents" which Moore had. We earlier knew that Folkenberg introduced him to such leaders, but we did not know that he traveled with Moore to do it! Who paid Folkenberg's travel expenses for these jaunts has not been disclosed.

Moore bit the hand which had fed him a lot. But the old maxim is true: If you associate with certain types of people, you will get in trouble.

6 - January 1999—When the lawsuit papers arrived in the mailbox at world headquarters on December 28, 1998, both the General Conference and Folkenberg went looking for lawyers. He initially contacted a highly respected legal firm; but, when he began to discuss the details with them, they refused to handle the case. One employee said, "The whole case was too disreputable."

Folkenberg then went to Patton & Boggs, a firm which is used to handling unusual cases for Democratic Party lobbying groups in Washington, D.C.

7 - February 1999—When Folkenberg settled

the suit with Moore on Friday, February 26, the details of the settlement agreement were purposely kept secret. One individual who says he earlier read a copy of the preliminary agreement (which may be somewhat different than the final agreement) provided these details:

(1) It would be agreed that Moore would give the phone tapes to Folkenberg, so he could destroy them. That would be a wise decision; otherwise, Moore could return in a year and start blackmailing him again.

(2) The amount of settlement was to be about \$800,000, to be paid over a period of two years. Payments were to be wired to one or more addresses which Moore would provide.

8 - March 1999—You will recall that, in my last two-part tract on this subject (*From Folkenberg to Paulsen*, page 4), I told of the church member who told me that their conference president was trying to get them to take Folkenberg as the pastor of their 200-member church company. It now appears that he will be given a plush General Conference-level position!

There are General Conference staff who continue to be fearful,—for it now appears that, following a paid leave of absence this summer, Folkenberg may still get that position in the General Conference at its subsidiary Global Communications Network! September is the date they are working toward, at which time he may be taken back on staff. In the interim, he is continuing to receive a monthly salary.

Perhaps some may wish to express their concerns regarding this matter of rehiring Folkenberg:

President Jan Paulsen

General Conference

of Seventh-day Adventists

12501 Old Columbia Pike,

Silver Spring, Maryland 20904-6600

Telephone: 301-680-6000

Fax: 301-680-6090

We should not entrust the work to men who cannot manage themselves. And we surely should not entrust it to men who are lawless. In view of his ongoing business dealings, we can now better understand why Folkenberg wholeheartedly accepted the teachings of Jack Sequeira—as soon as he heard them at the Carolina Conference Camp meeting in the summer of 1989.

From that time onward, Folkenberg has been a solid defender of Sequeira, a promoter of his teachings. So much so that, when Ron Spear, Colin Standish, and Ralph Larson pled with him to reconsider

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the matter,—Folkenberg appointed a special General Conference committee to investigate, not Sequeira's teachings,—but the men who pled with him, with the purpose of ascertaining reasons why they should be kicked out of the church!

If this latest information is true—that, after all that has happened, Folkenberg will still be given that prestigious General Conference position, then we stand amazed.

What is this strange fixation that causes General Conference leaders to want Folkenberg back in there? Does he have something on them? Frankly, I cannot understand this. Surely they suffered enough grief from the man when he was their overlord and, then, when they had to struggle to oust him.

9 - April 1999—On April 24, Phil Hiroshima spoke to an Adventist Forum meeting in Pleasant Hill, California (a little east of the San Francisco Bay area).

We now learn that Hiroshima is an Adventist church member. At one point in the meeting, he said, "My hope and prayer is that we, as members of the Seventh-day Adventist Church, will assist our church . . . with our prayers, tithes and offerings."

Hiroshima's talk, given at the local Adventist church, was entitled "*The General Conference Leadership Crisis*." It was presented to a packed auditorium of over a hundred people.

The General Conference did not want that talk to be given; but, by the time they learned about it, announcements had already been mailed out. So the best they could do was to have Robert Nixon advise Hiroshima that he must not permit any tapes to be made of the presentation.

However, it is likely that notes were taken during the meeting (and possibly some clandestine tapes). So we may eventually obtain more detailed information on what was discussed that evening.

But we do know this:

In October 1998, Hiroshima had been contacted by the General Conference Office of General Counsel. That department consisted of their in-house attorneys. Very likely, it was Robert Nixon who phoned him. (Nixon is head of that six-member department.) During the conversation, Hiroshima was told about an extremely serious situation, involving one of the officers. From the information we have, it is not clear whether Hiroshima was, at that time, told that Folkenberg was that officer.

At this juncture, does the above paragraph jog your memory a little? Up to the present time, we had the understanding that the General Conference officers did not learn about the Folkenberg's prob-

lem until Moore's lawsuit paper arrived on December 28. Yet, we had also reported that Folkenberg had been unwilling to accept advice from his colleagues.

Now we find that other high-placed church leaders knew something about the Moore-Folkenberg entanglement as early as October of last year.

James Moore had filed the suit on August 21 (because the two-year California statute of limitations would have run out the next day), but did not serve the papers until December 28. As soon as that happened, of course, the General Conference leaders set to work in earnest. They immediately had Hiroshima begin researching.

So the General Conference first contacted Phil Hiroshima as early as October! Keep in mind that Folkenberg had personally told several wealthy friends, confidentially, about his problems with Moore. From them he had obtained hundreds of thousands of dollars, which were sent to Moore (probably by wire, since we now know Moore prefers that method of cash transmission.)

Then, too, there were all those trips overseas that Folkenberg flew with Moore, to introduce him to church and governmental leaders in foreign lands. Surely, the brethren back at world headquarters must have been aware of some of this.

In such a climate, it would come as no surprise if word of the looming crisis might not be shared, by someone, with some top church leaders. When they tried to counsel Folkenberg, we know he refused their advice.

In his April 24 presentation, Hiroshima told of a number of meetings he held with one or more church leaders about that lawsuit—prior to the serving of the papers!

This means that church leaders knew, not only about the Moore problem—but the lawsuit as well—for upwards of two months before the papers were served them!

Did any special event occur in October? We know that, on October 21, the Sacramento court sent James Moore a *Show Cause* request, ordering him to explain why he had not yet sent the lawsuit papers to the General Conference. (By California court regulations, he was required to serve the lawsuit papers within 60 days of their August 21 filing; he then obtained an extension of time—and waited until the last day possible to serve the lawsuit. We now know that the longer he waited, the more money he hoped to receive from Folkenberg, to keep him from filing such a lawsuit.)

But, rather quickly, church leaders learned about the lawsuit. How they found out, we do not

know. It is possible that an Adventist, working in the Sacramento County Courthouse, alerted church leaders.

In his presentation, Hiroshima told about how, when he was given the final go-ahead to do an in-depth investigation, he personally found it hard to face the fact that his General Conference president had done such things. Hiroshima mentioned that in the “thousands of pages of documents,” he found much that did not concern the James Moore relationship, but other highly problematic improprieties.

We will probably never learn what most of them were.

Hiroshima told of how, as he worked through the documents, he was aghast. Yet he realized that, as the attorney representing the church, he must alert church leaders to all that he had discovered—including everything which did not directly relate to the Moore crisis. He noted much in that second category.

But, before doing so, Hiroshima said he discussed the matter with his wife (who was legal assistant to the law firm he is in), then with his law partners, and then with the Office of General Counsel at the General Conference (probably with Robert Nixon; Nixon was very likely the key General Conference in-house attorney throughout this crisis. He was the only in-house attorney to be present during the two day Ad Hoc Group meetings. For your information, Nixon has also been the key General Conference attorney involved in the trademark lawsuits, going back to the earliest days of the Hawaii litigation.)

Hiroshima then began divulging the discoveries with General Conference leaders. He described this process in some detail.

ROBERT FOLKENBERG'S RESIGNATION

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He presented the newly found facts to one General Conference group, and then to another, and then another. Each time, he found that the initial reaction was to wonder how they could shield the General Conference president from Moore. But then they would rise to a new concept: It was their first duty to protect the General Conference and the church from this crisis. Apparently, the sheer immensity of the crisis overwhelmed their normal “protect our buddies” thinking pattern.

Concern to protect leaders and fellow workers is understandable. Over a period of years, church workers are trained to respect, please, and obey their superiors. Those who do this best are the ones who move upward in the ranks. As they do so, their concern is to protect fellow workers. This is why conference presidents are generally more concerned with backing the local pastor than with the concerns of church members about what that pastor is teaching or how he is conducting himself.

But the Folkenberg/Moore crisis was of such immense proportions, and the possible ramifications so great, that, when confronted with it, our leaders on the General Conference level realized they must conduct themselves in a different way.

Hiroshima said he was deeply impressed by the terrible decision which these men were faced with, and he praised them for their decision: They decided to protect the church instead of their fellow leader.

Hiroshima noted the concern of these officers to see and examine the evidence for themselves. Apparently, that evidence (those thousands of pages of documents) was so convincing that, to this day, we do not know of one church officer who, having examined the evidence, continued to defend Folkenberg.

Hiroshima concluded his talk with the happy thought that the willingness of the leaders to do what had to be done, regardless of the consequences, is going to bring new courage, direction, and zeal to the church, and cause the members to have a deeper faith in their leaders as we move into the next century.

Back in the old days, the courage and zeal of the members grew stronger as they saw their leaders humbly leading them into deeper obedience to the Inspired Writings.

Today, the members are to draw courage from each new financial scandal or moral apostasy which their leaders manage to put behind them.