

The Fall of Folkenberg: Early March Update

PART ONE OF TWO

Preview: Additional information is coming in about the activities of Robert Folkenberg. And it appears that some of the new developments are nearly as strange as that which has transpired in the past two months.

Wednesday, February 24, 1999 —

For some reason, the following item had slipped past me. It was reported in the *Los Angeles Times*, for January 23, that (1) Folkenberg said he had considered asking Gencon (the General Conference insurance department) to pay off Moore, in order to quietly settle the suit; and (2) Folkenberg said that he had considered diverting money from a General Conference fund (!) in order to pay off Moore. That would be embezzlement! Folkenberg told Moore on the tape that he was thinking of doing this.

These two facts were gleaned from the recorded phone tapes which Moore had made during their conversations. Moore had let a *Los Angeles Times* reporter hear some of the tapes.

Folkenberg's attorneys may have said that the tapes were illegally made, and Folkenberg's written permission to make them was forged,—but they did not deny that it was Folkenberg that made those highly incriminating remarks on the tapes!

“Lawyers for Folkenberg and the church insist that the signature on the consent document was forged and that the tapes were made illegally under California law.

“In one conversation, Folkenberg said he considered going to the church's insurance department to arrange a settlement with Moore, but to do so, he would ‘have to confess to and be open to [charges of] fraudulent conduct . . . I might as well just go ahead and resign [from the church] anyway and let the litigation find me guilty of something.

“Folkenberg also discussed whether he could pay off part of the \$8 million Moore claimed he was owed by quietly diverting part of the donations from a telecommunications program set up by the church's international relief agency, an idea he apparently rejected as too risky because of a potential ‘conflict of interest.’

“He even considered taking out a second mortgage on his home. ‘I don't know where else to turn . . . I'm willing to risk everything,’ he said.”—*Los Angeles Times*, “Adventists Meet to Weigh Fate of Embattled Leader,” Saturday, January 23, 1999.

Thursday, February 25, 1999 —

We earlier predicted that Robert Folkenberg (who resigned from the presidency of our church on January 31 and publicly announced it the next day) would either be slipped into a high-paying Adventist Health Systems position or into another important position in the church.

Later we reported that he had accepted a position in the GC Communication Department.

Earlier today it was confirmed that Folkenberg has indeed accepted a position with AGCN (Adventist Global Communications Network), a Communication Department subsidiary, which he had promoted and helped establish. It is the objective of AGCN, by satellite dish, to link every Adventist church around the world to world headquarters in Maryland. In this way, church leaders can maintain closer contact and influence over local churches. (Some may recall a news note we provided, about a year and a half ago, that the Vatican was doing the very same thing! The only difference is that their satellite connections will connect the Vatican with bishops and priests' quarters, and will be two-way.)

Here is an announcement of Folkenberg's immediate future plans:

“The Administrative Committee of the GC yesterday voted to ask Elder Folkenberg to become Projects Coordinator for AGCN, and he has accepted. He will work with Divisions to coordinate the uplink projects done for Adventist Global communications Network. AGCN will broadcast more than 100 hours this year, much of it originating from different divisions of the world field. Elder Folkenberg's role will be to help these divisions in any way they need. Elder Folkenberg has been the driving force behind the creation of AGCN, and he wanted to continue to help it. He will work with

Phil Follett and Brad Thorpe, the other two people most directly connected with AGCN.

“On a personal note, I understand that Elder Folkenberg is trying to sell his home here in Maryland and move to Carolina. He will work out of his home, as does Brad Thorpe, so he doesn't need to be close to the General Conference building for his work.”

“Kermit Netteburg, NAD Communication [Department].”

Apparently, it is a settled matter. Folkenberg has been asked, and he has accepted—and the announcement has originated with Kermit L. Netteburg, one of the staff members in the Communication Department.

“Move to the Carolinas.” Folkenberg would do well to sell his Maryland home. He might use the cash to help pay his lawyers in the upcoming Moore court trial. The “Carolinas” would mean locating in North Carolina, probably near the Carolina Conference headquarters in Charlotte, where he formerly lived. He would have many friends there. In addition, he would need to live near a big-city airport, so he could fly to distant lands, overseeing installations. Charlotte is one of the largest cities between Washington, D.C. and Atlanta.

Friday, February 26, 1999 —

Strangely enough, Folkenberg today reversed himself on the Adventist Global Communications Network (AGCN) position.

The timing could not be more significant, in view of the fact that reports are now circulating that Folkenberg is planning to get the Spring Council, which convenes on Monday, March 1, *to reinstate him in his position as president of the denomination!*

It appears that Folkenberg decided that if he accepted the AGCN job offer, he might lose the opportunity to regain the office of General Conference president—a position he had tendered a written and verbal resignation from 25 days earlier.

The following note went out over the internet on Friday, February 26:

“By Paul Beach on Friday, February 26, 1999 - 09:37 a.m.:

“Here's a note that I received from someone who got it from Kermit Netteburg [a worker in the GC public relations office]. I believe that it is accurate:

[Quoting Netteburg:] “I'm sorry to have to take back what I sent to you yesterday about Elder Folkenberg's future with the church. I was reporting an announcement made at the General Conference Leadership Council, so presumed that it was accurate. This is a copy of Elder Folkenberg's note back to me, and his indication of his plans as they stand at the moment. I apologize for spreading wrong information.

“Will you please share this information with any

people you may have sent my original message to. Please help me do whatever we can to correct the erroneous message.”

Something is odd about Netteburg's statement. He is apologizing for telling what he had heard in a General Conference committee meeting—of the very department into which Folkenberg had been hired! It was widely known that Folkenberg had accepted the job. Today, it appears that he is backing off from it.

The above report was immediately followed by a note from Folkenberg to Netteburg. It is remarkably sarcastic and derisive:

“RE: Reporting faulty mind-reading:

“Dear Kermit:

“I regret to inform you that today's e-mail to NAD leaders regarding our decisions and plans does, in fact, provide ample evidence that dependence on clairvoyance as a source of trustworthy information is clearly unjustified. Permit me to illustrate:

“(1) I have indeed indicated an interest in ADCOM's gracious offer for me to serve AGCN in the future but, when pressed to accept the offer in writing, I have declined indicating it would be premature to do so prior to March 1.

“(2) To the best of my knowledge, our home is not on the market . . . unless you know something I don't [ellipses supplied by Folkenberg].

“(3) It is true, Anita and I do love the Carolinas. But, since we have not formalized our departure (see number 1), our landing site is still also 'up in the air.'

“I'd like to suggest that since technology does provide easy verification of the facts (our phone does still work), that in the future as in the past you use the tried and true—verified information rather than clairvoyance—as a sound basis for news reporting.

“Sincerely,

“Bob Folkenberg.

“P.S. Please be so kind as to send copies of this message to any individuals that received your original message other than those I've copied.”

The above statement is remarkable for the intensity of ridicule it expresses. I would surely not wish to work under a man like that. Such a friend would be withering to the soul. The General Conference staff must be relieved to see him gone. Woe be to the Communication Department if he ends up there!

The above appeared on an official Adventist on-line chat forum. One friend, who has followed the chat lines quite faithfully, is intrigued that someone named “Paul Beach” is rather consistently the one to announce new facts about Folkenberg's thinking, announcements, and plans. Our friend believes “Paul Beach” is a pseudonym used by Folkenberg, to convey information. Notice Beach's introduction to Folkenberg's note: “RE: Reporting faulty mind-reading”: It has the same tone of ridicule found in the note.

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Netteburg reported what he heard in a General Conference Communication Department committee meeting,—yet Folkenberg declares Netteburg's source of information to be "clairvoyance!"

Yet Netteburg was only passing on earlier reported information:

"In a brief telephone conversation, Netteburg confirmed that his original e-mail came after a public announcement of Folkenberg's new position with AGCN. Additionally, General Conference vice-president, Philip Follett, posted an e-mail announcement of Folkenberg's new position with AGCN at least two days prior to Netteburg's e-mail."

Thus we find that, on Friday, February 26, Folkenberg announced that he was backing off from accepting a General Conference position until March 1. Why would it be "premature to do so prior to March 1"? Because March 1 is when the Spring Council will decide who will be GC president until the next Session in July 2000.

It does appear that Robert Folkenberg is hard at work trying to ensure that he will be voted back into the office he had earlier resigned from!

Keeping acceptance of an alternate GC position in abeyance would thus be necessary. If Folkenberg had already accepted another position, he might be thought to be less likely to be voted back into the GC presidency.

Such a desperate ploy is understandable, when one keeps in mind that leaders spend much of their adult lifetime climbing the corporate ladder. "Upward mobility" is the watchword and, unfortunately, frequently tends to crowd out concerns for upholding principles. Risking one's job becomes a far greater concern than interposing to stop the church from sliding steadily downward.

Having had a few days to think over the matter, Folkenberg apparently has become desperate to hold onto his job as president. Letting the word get out, that to accept any other position "prior to March 1" would be "premature," seems part of a two-pronged effort to regain the presidency.

The other part was something else which happened today: Friday, February 26:

Folkenberg somehow managed to settle the lawsuit yesterday or today! At least today is when James Moore announced it had been settled.

Immediately below the above announcement was this paragraph:

"Folkenberg sent his denial almost simultaneously with his finalizing an out-of-court settlement of the James E. Moore lawsuit served against him, the GC Corporation, and other parties."

Now Robert Folkenberg was ready for Monday morning at the Spring Council: He had pulled back from accepting another position, and he had stopped the lawsuit dead in its tracks.

Here is the first of two reports on this; both are dated Friday, February 26, 1999. It is an official announcement by Adventist News Network:

"For Immediate Release:

"February 28, 1999

"Church Statement about Settlement of Lawsuit.

"Silver Spring, Maryland (ANN) Indications are that a lawsuit against the Seventh-day Adventist Church filed in Sacramento, California, by James E. Moore has been settled by defendants other than the General Conference Corporation and the Inter-American Division and that the suit has been withdrawn by the plaintiff.

"A settlement has not been verified in court records, and the Church has not been notified that the suit has been withdrawn. Further, the Church has not been party to any settlement negotiations, and the Church is not aware of the terms of any potential settlement.

"The Church would welcome the withdrawal of the suit, which the Church has characterized from the beginning as 'frivolous and without merit.'

"The Church has opposed any financial settlement of the suit, since the Church had no dealings in the matters under litigation. In addition, the Church opposes any confidentiality agreement.

"The General Conference Executive Committee will meet tomorrow (March 1) to elect a new president of the Church."—*Day Dabrowski, ANN [General Conference Adventist News Network] press release, February 28, 1999.*

What do we learn in the above announcement?

(1) The suit has been settled out of court, and is ended.

(2) It was settled "by defendants other than the General Conference Corporation and the Inter-American Division." That is legalese for saying the church did not pay off Moore; someone else did.

(3) The church does not know the terms of the settlement; *i.e.*, church leaders do not know who paid off Moore and how much they gave him.

(4) The church "has opposed any financial settlement" and "any confidentiality agreement." That means, church leaders did not want to see Moore paid off, and did not want a gag order imposed.

(Yet in other litigations, the church has standardly done just that: Pay off the other side with the proviso that a gag order be imposed.)

Here is the second Friday report, which went out over the internet. It is James Moore's affirmation that the suit has, indeed, been settled out of court:

"In a call to James E. Moore, plaintiff in the lawsuit claiming fraud against Robert Folkenberg, the General Conference Corporation, *et al.*, *Adventist Today* learned this afternoon that the suit was settled today.

"Following is Moore's official statement:

" 'Statement of James E. Moore about Settle-

ment of Lawsuit'

"I can confirm that the lawsuit which I filed on August 21, 1998, in the Sacramento Superior Court against Ben Kochenower, Walter E. Carson, Robert S. Folkenberg, and others, including but not limited to the General Conference Corporation of the Seventh-day Adventists, has been dismissed by me with prejudice. This dismissal is a part of a mutual settlement of that lawsuit. None of the parties to the settlement has admitted any liability. The terms of this settlement are confidential. I will not discuss the terms of the settlement any further. I wish that this litigation would not have occurred.'

"Sources who wish anonymity say that Folkenberg is hoping to regain his position as General Conference president at the special meeting of the General Conference Executive Committee on Monday, March 1, 1999."

What do we learn from the above?

(1) The suit was settled on Friday, February 26, the last business day before Monday, March 1, when the Spring Council would convene.

(2) Close friends of Folkenberg confirm that he definitely is trying to gain back the job he resigned from, on January 31, and made official the next day, February 1.

Throughout this amazing story, we have encountered one enigma after another:

Why was Folkenberg working with a convicted felon?

Why did he take \$8 million (which he admitted doing on the phone tapes)?

What did he do to help Moore gain access to world leaders overseas?

In what way was Moore "representing" the Vatican in that suit against Folkenberg and the church (as indicated in the lawsuit paper, when compared with his resumé)?

What were in those "thousands of pages" of documents, shown to the ad hoc committee?

—And now we are faced with another puzzle:

How much was paid to Moore to settle the suit?

Who paid it?

Where did the money come from?

Why was a gag order imposed?

What are they trying to hide?

The money, at least the great majority of it, surely did not come from Folkenberg! If the amount of money he could raise was sufficient to satisfy Moore, Folkenberg would have paid him months and even years

earlier!

One cannot dismiss the possibility that certain individuals made contact with the Vatican, and agreed to certain concessions, if they would instruct their representative, Moore, to terminate the suit. If we have enough influence with the Vatican to exchange gold medals with the pope (see my newly released 80-page *The Adventist-Vatican Ecumenical Involvement—Book One*, \$6.00+\$1.50; our church leaders gave the pope a gold medal and he earlier had given one of our leaders a medal). Also an Arkansas Catholic diocese announced that the General Conference contacted the Vatican directly to send representatives to the Indianapolis Session,—then we have enough clout with Rome to make agreements with them so they will call off Moore. Is it possible that this entire litigation crisis was engineered, so we would make certain concessions?

Sunday, February 28, 1999 —

On this day, about 240 church leaders from around the world are arriving at Washington, D.C. airports and being assigned hotel rooms for the forthcoming Spring Council, which will convene Monday morning and continue until Friday. It is to be expected that discussion and voting on whether to retain or replace Folkenberg will be the first order of the day.

One would not expect that they would not treat kindly the idea that Folkenberg should be retained, in light of the fact that two investigative committees were shocked at the findings in the "thousands of pages of documents."

We are told that, behind the scenes, Folkenberg has contacted a number of top leaders in the hope of swaying them in his favor.

It is of interest that, elsewhere in the nation, Henry Lyons, president of the National Baptist Convention, the largest Baptist and largest black denomination in America, was convicted on three criminal counts last week by a Florida jury. This morning, he preached the sermon at a Baptist church, which was filled with worshippers.

It is not likely that Adventist church leaders will want a scandal, similar to that rocking the National Baptist Convention to infect our denomination. —Baptist leaders refused to kick out Henry Lyons. Will we retain Folkenberg, in light of all that has transpired?

Monday, March 1, 1999 —

The crucial Monday meeting is now past.

This morning, Robert Folkenberg presented a 30-

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PART TWO OF TWO

Continued from the preceding tract in this series

minute speech. Here are all the important portions of a five-page transcript of that speech, a copy of which we have just received. He begins by noting how marvelously the church has grown during his administration.

“It has been my joy and my privilege to serve you and this Church during the past 3,100 days . . . during the incredible growth of the last eight and a half years, when we nearly doubled in size from 6 million to over 10 million people, at a time when our contributions have risen to over \$1.5 billion.”

Folkenberg then discusses the problem with Moore. We will quote the entire section:

“Only the Lord knows the hundreds of hours I have spent with Him [God] in prayer, weeping and pleading with Him to protect His Church during the process of my disassociation from Mr. Moore. As the man that you elected in 1990 and 1995 to lead this Church, I must tell you I am deeply repentant that I did not disassociate myself from him much earlier, since it is something that you had the right to expect of me, and for this, I am truly sorry, and I am repentant. It is important to state very clearly that.

“My association with Mr. Moore did not begin out of any expectation of any personal profit from him, nor did it continue for any such reason. My association with him began when he visited Guatemala in 1976 with another Adventist to view the aftermath of the devastating earthquake of February 4. The association with him, which has given rise to this [Spring Council] meeting, began in 1978 when he made a gift of an interest in raw, undeveloped land near Sacramento, California, to the Inter-American Division. It was that gift, which I perceived to be of substantial, potential value for our Church’s mission, that caused me to continue my association with him. The Church never actually realized anything from this gift, and neither did I.

“At no time was Church money ever diverted, lost, or otherwise used for any improper purpose in connection with this gift.

“My association with Mr. Moore, which included a personal friendship, was not one which required

or involved more of my personal time than any of you probably have spent with friends you have known for a long time. Nevertheless, in retrospect, I regret not having used my precious moments of personal time on more productive and less controversial matters. The price I paid for that lack of judgment in foresight has been understandably very high.

“Just as I did not expect or seek the presidency in 1990 when I had already known James Moore for 14 years, neither am I willing to fight to retain my position. Some erroneously have concluded that my resignation was an admission of egregious misconduct or moral failure. This is simply not true. I resigned for no other reason than to avoid further conflict and pain to my family and to my Church.

“Some of you are aware of my personal struggle about whether or not to pursue a settlement with Mr. Moore. I have felt that Mr. Moore had the right to be angry due to a decision that was made in September of 1996, by which an organization with which he was involved seemed to be deprived of an asset.”

In his lawsuit, Moore contended that “on or after” August 21, 1996, the money had been transferred to Robert Dolan’s bankruptcy estate. In the above paragraph, Folkenberg says it occurred in September of that year.

“I am simplistic enough to believe that taking something that belongs to another is wrong, regardless of the conduct of that individual. However, so many of my colleagues have disagreed with this position, that I reluctantly acquiesced. I am not proud of that. I feel it was a moral failure on my part. But I reluctantly acquiesced and announced to the General Conference Administrative Committee [ADCOM] that I was prepared to pursue a vigorous defense of Moore’s litigation.

The above paragraph is apparently referring to a January 1999 General Conference decision, to oppose Moore’s lawsuit instead of paying the \$8 million.

“As my legal counsel and I planned our approach to the lawsuit started by Mr. Moore, it became very obvious that it was likely the lawsuit would last for several years and would be very expensive, both in

terms of actual dollars spent in defending the lawsuit, and in the time consumed by many people. Because an insurance policy issued to the General Conference Corporation appeared to apply to the claims which had been asserted by Mr. Moore, we contacted that insurer."

Was that insurer Gencon? It is known that Gencon (the General Conference Insurance Department) works with outside insurance companies.

"After a careful review of many documents and other available information, the insurer decided to provide coverage conditionally under a reservation of rights, and to pay for legal counsel to defend both me and Mr. Carson. When the insurer did so, it also noted that the insurance policy only covered 80% of those costs. The Church, though willing to pay for my ecclesiastical prosecution [the expenses involved in convening the January 25-27 ad hoc committee and division leaders' meeting], rejected my request to assist with the remaining 20% of my defense costs. My family had already personally spent so much to protect the Church from Mr. Moore that we could not carry this expense alone. So finally, feeling abandoned, we felt we were being forced to carry that cost by ourselves. We knew that the cost of litigation would be much higher than the cost of settlement."

The impression is given that Folkenberg is the persecuted one, and the blame lies with others. He suffers because they did not follow his advice.

"So last Friday our attorneys reached a settlement with Mr. Moore in which he dropped all his claims against all defendants, including all the Church organizations. So the lawsuit is no more. I praise the Lord that this weight has been lifted from my shoulders and that in the process, the Church will also save many thousands of dollars and avoid numerous media stories that are potentially distracting to the Church."

The above statement leaves a number of questions unanswered; especially: Who paid off Moore? How much did they pay? Why was a gag order included in the settlement? Was the General Conference involved in the settlement?

Considering the entire, quoted context, it may be that Folkenberg and the insurer (possibly with some church leaders) approached Moore and offered to settle out of court for a stipulated amount. If so, they would have several points in their favor: The denomination was likely to be adjudged not liable. Folkenberg was essentially broke, and Moore would not get much out of him or the other named defendants in the suit. So did the insurer pay to settle the suit?

At this juncture in his 30-minute speech, Folkenberg changes the subject and goes into a description of all the things that were accomplished during his administration.

This is followed by an account of all the weary years of work he gave to the church presidency.

"Traveling away from home 70% or more of the time, working 18 hours a day, seven days a week, the schedule, the meetings, the expectations of the world field place an impossible burden on one whose heart longs to do his best for the Church . . .

"Remember, you have no more right to expect perfection from presidents than from any other child of God."

Folkenberg concludes by appealing that both love and truth may rule in the church, and quotes two sentences from Volume 8 of the *Testimonies* (without giving the page number) which speak of how Christians overly emphasize 'the theory of the faith,' when they lose their love for one another.

Bob, in reply to your final words to the church, we need to emphasize teachings and standards, as well as love for one another. Have you still not learned the lesson of the past few years?

We are told by a good source that Folkenberg went to the Monday Spring Council session, fully intending to win the day with the news that he was still available for his former position and the lawsuit had been settled. In this way, no media publicity might need result if he was retained in the presidency.

But rather quickly he learned that he had lost the confidence of the brethren. News of what was in the documents had leaked out, and the committee was ready to elect someone new.

Within half an hour after the Monday session of the Spring Council ended, a phone call notified me of the results, and I was given a report of the proceedings.

Here is what happened:

The General Conference Committee, composed of 244 registered members from more than 90 countries convened in the main auditorium at the new General Conference facility.

Dr. Niels-Erik Andreassen, president of Andrews University (and chairman of the January 25-26 ad hoc committee), co-chaired (along with Calvin Rock) this first day's session.

George Brown, retired former president of the Inter-American Division (and the one who had been offered the GC presidency in 1990, before Folkenberg was selected), presented the morning devotional.

Robert Folkenberg then delivered his 30-minute speech, discussed above. Following that, the committee members discussed the matter briefly and proceeded to the vote. They quickly approved the recommendation of the division leaders (made on February 27), that Folkenberg resign and be replaced; and they accepted his January 31 written resignation. That vote occurred at about 11 a.m.

Folkenberg was definitely out of his job as General Conference president.

The committee spent most of the next two hours discussing the qualifications they expected in the next

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president. Four times someone asked that they stop and pray.

Then the committee began considering possible nominations. More than ten names were considered, and four hours were occupied in discussing them. The door was locked and bolted throughout the day. No one could enter unless they had an identifying badge.

Certain names stood out:

One was Athal Tolhurst. He is from Australia, but has been a life-long enemy of Desmond Ford. That is in his favor. It is also true that he has been very much involved in helping Folkenberg push through his governance changes.

Another name was that of G. Ralph Thompson, the leader from the Caribbean. He has been Secretary of the General Conference for a number of years and, upon Folkenberg's resignation, became acting General Conference president. He appears to be a fine man, and we would have been happy to see him placed in office. There had been talk about his not being desirous of taking on those heavy responsibilities.

Another person considered was Jere Patzer. As soon as he became president of the North Pacific Union, he set to work trying to clean up Walla Walla College. I deeply appreciate that, and would have been extremely happy if he had been elected.

Ted Wilson was also mentioned. He is said to be more sincere in his concerns than his father, Neal C. Wilson. But he would not look good because his father is president emeritus of the General Conference. In addition, Ted never held a pastoral role. His father, early on, pushed him into high positions. Although he has served in various posts with success, there are those who feel he reached the heights because his father got him there.

Yet another name was that of Jan Paulsen (pronounced "Yahn Paulsuhn").

We had earlier said that Wilson and Paulsen were at the top of the list of candidates. Late in the afternoon of Monday, March 1, Jan Paulsen was elected president of the General Conference of Seventh-day Adventists.

A native of Norway, Paulsen has been vice-president of the General Conference since 1995. Prior to that time, he was president of the Trans-European Division from 1983 to 1995. Pastor Paulsen has been a pastor, a departmental leader, a teacher, and a college president.

He is the first European to become president of the world church. He has degrees from Andrews University and the University of Tübingen in Germany.

Unfortunately, Paulsen is a strong liberal and, for 13 years, from 1983 to 1995, he stood with the Hungarian Union officers in opposition to the faithful believers in Hungary. Therefore I must conclude that Jan Paulsen was a poor choice to be our next world leader.

Tuesday, March 2, 1999 —

There is also another enigma confronting us: If Robert Folkenberg was working closely with James Moore, an ex-convict who represented the Diocese of Rome,—to what extent did Robert Folkenberg, as a church officer, engage in other improper activities?

Now that everything is beginning to unravel, we have been able to obtain two glimpses of such activities.

Here, from an internet release, is the first:

"From the time the lawsuit between James E. Moore and Robert Folkenberg, the General Conference Corporation, *et al.*, came to light, the General Conference has not divulged information beyond general statements about Folkenberg's possible misuse of presidential power, inappropriate business associations, possible conflicts of interest, and reluctance to accept the advice of colleagues. Respect for the Folkenberg family's plan appears to have played a significant role in the GC's decision to be guarded.

"The GC's silence on the nature of the accusations, however, does not mean that there is an absence of strong and specific evidence of significant wrongdoing. Three different groups (an informal group early in January, the special ad hoc committee appointed to investigate Folkenberg's business dealings, and the Administrative Committee that met with Folkenberg and his attorney) believed the offenses were grave. At the meetings of each group, leading GC personnel felt Folkenberg should resign. At no time, however, evidently not even today, does Folkenberg agree with this conclusion. He maintains he was involved in business deals for the good of the church. One GC source summarizes Folkenberg's conflict of interest by saying, 'He just doesn't get it.'

"Details of the deals behind Folkenberg's forced resignation have been difficult to confirm. However, one example of his questionable transactions has come to light from several sources. Earlier GC press releases stated that the church has not had any dealings with Moore since 1989. There was a meeting within the last couple of years, however, in which GC persons, World Comm-MCI representatives, and James E. Moore outlined a mutually beneficial business plan. Whether the signed document that resulted from that meeting was a final document or a preliminary memo of understanding is not known.

"The deal, however, involved the idea of getting church members to switch phone services with resulting profits benefiting World Comm-MCI, Moore's interests, the Adventist Development Relief Agency, and Robert Folkenberg personally. Parties representing each of these interests signed a document. The plan was never implemented, much to Folkenberg's disgust, as it would have

aided the GC president in paying off an indebtedness to Mr. Moore.”

What do we learn from the above revelation?

(1) The General Conference has consistently denied any church involvement with Moore after 1989 when, two years after Moore was convicted of a grand theft felony, the Inter-American Division cut off business relations with him.

(2) Although the General Conference does not reveal the nature of the accusations against Folkenberg, yet they are very grave. So serious, that leaders were convinced he must resign.

(3) But Folkenberg's testimony is far different. Declaring everything he did was for the good of the church, he is either deceived or trying to deceive.

(4) One of the nefarious Moore-Folkenberg-General Conference business deals has come to light:

World Comm-MCI is one of the largest long-distance telephone servers in the world.

1 - James Moore and World Comm-MCI officials came to the General Conference and met with certain leaders. The meeting was held within the last two years, and very likely was instigated by Folkenberg.

2 - A “mutually beneficial business plan” was discussed, the terms of which would personally benefit (provide handsome rewards to) Moore and Folkenberg, along with ADRA and World Comm-MCI.

3 - A preliminary or contractual agreement was presented to the group. It probably had been typed up beforehand and represented a lot of advance planning by Moore and Folkenberg (some of which is probably included on those taped phone calls and thousands of pages of documents which Hiroshima (the General Conference investigative attorney) uncovered.

4 - The agreement was actually signed. We would expect that three signatures were on that document: Folkenberg's, Moore's, and World Comm-MCI's.

5 - Robert Folkenberg expressed extreme disgust when the lucrative plan was not implemented. Very likely, when ADCOM (the General Conference administrative committee) learned of it, they nixed the idea.

6 - This was but one of a number of very serious “conflict of interest” business dealings and transactions of Folkenberg, representing the church, with James Moore. (We earlier learned, from a *Los Angeles Times* article, that another Moore-Folkenberg project involved telephone calls by Folkenberg to governmental officials elsewhere in the world, introducing Moore to them—so he could meet with them and work out business transactions of some type with their countries.

What would be the nature of those transactions? A careful examination of James Moore's official resumé, which we published earlier, is remarkably lucid: In

much of his activities, Moore was acting as an authorized agent of the Roman Catholic Church and personally representing the Diocese of Rome—another name for the Vatican.

It would appear that, very likely with full knowledge of Moore's Vatican connections, Folkenberg was trying to help deepen Moore's contacts and influence in various nations around the world!

Here is the second report:

“A few years ago, Ray Comstock sat in my living room and told my wife and me this story. As you may know, Ray Comstock was the founder of Yerba Buena Mission in Chiapas, Mexico, and in charge of it for many years until his retirement.

“He said that, when Robert Folkenberg was in Central America, he had been involved in smuggling computers into the country. This was done by using a church-owned airplane that would land at a certain jungle airstrip, taxi to the end of the runway, and then be quickly unloaded by some of his native workers. They were then taken into a nearby town and sold illegally. The transactions were illegal because no import duties had been paid.

“Local authorities eventually found out about the scam and issued a warrant for his arrest. The General Conference got wind of it and yanked him out just hours before he would have been arrested.

“Returning to the United States, he was eventually elected president of the church. One cannot but wonder how he could have been elected with such a record as that.

“Ray Comstock is now dead, but we both would be willing to testify as witnesses in a court of law, that this was so. We are sure that Ray's widow would also be able to verify the story.”

As we go to press—

It was earlier planned that the interim General Conference president would step down in 2000, when the next Session convenes in Toronto, Canada. Paulsen is about 65. Will he be willing to step down?

At the present time, there appears to be no talk along that line. In addition, we have heard no word that it was made a proviso when he was elected on Monday.

So, unless his health gives out, we may have him for quite some time.

We urge you, each reader, to make sure you are obedient to our Bible-Spirit of Prophecy teachings and standards. Surely, we are nearing the end of time. We must be prepared! May our Father bless and keep you, each one.

— Vance Ferrell