

U.S. Department of Justice



Federal Bureau of Investigation

In Reply, Please Refer to  
File No.

San Antonio, Texas

December 21, 1990

TEXAS RESERVE MILITIA,  
also known as  
FIRST TEXAS LIGHT INFANTRY,  
THE ORDER;  
DOMESTIC SECURITY-TERRORISM

ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED  
DATE 3/12/99 BY SP4bjd:sb  
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This investigation is predicated upon information received from confidential source [redacted], a source who has provided highly reliable information over a long period of time. The information received from [redacted] verified by independent investigation, indicated that members of a para-military group in the Austin, Texas, area with ties to the Aryan Nations, said they were planning to murder two Federal Bureau of Investigation (FBI) Agents who had arrested one of their members [redacted] also developed information that the group was involved in money laundering and possession of automatic weapons and explosives. The group trained regularly with these weapons and explosives so that they could be used to further the political goals of the group through force or violence with the intention of overthrowing the United States (U.S.) Government.

A full domestic terrorism investigation was authorized on the TEXAS RESERVE MILITIA on July 17, 1990, to expire January 12, 1991.

BACKGROUND INFORMATION ON THE GROUP

The TEXAS RESERVE MILITIA, also known as The FIRST TEXAS LIGHT INFANTRY and also calling themselves, "THE ORDER," is a para-military-survivalist group of white males, numbering 12 to approximately 50, in the Austin, Texas, area. Some of the members are known, long term and prominent members-associates of the Aryan Nations. The group is primarily made up of white males residing in the Austin, Texas, area but also include persons from Houston and Las Vegas, and at least one foreign national. In 1988, the group called itself the Texas Reserve Militia (TRM). In 1989, it also used the title FIRST TEXAS LIGHT INFANTRY. In 1990, members of the group have referred to themselves as, "THE ORDER."

**ENCLOSURE**

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TEXAS RESERVE MILITIA,

The TEXAS RESERVE MILITIA participates in combat training on a regular basis. [redacted] attended one of the training sessions. He observed that the 10 to 12 individuals participating in this particular training session were dressed in uniform with insignias of rank. Military discipline and courtesy was required and maintained throughout the training session. Officers were saluted with the German "Heil Hitler" salute with right arm extended upward at a 45 degree angle, palm out.

CRIMINAL ACTS THE GROUP HAS COMMITTED OR IS ADVOCATING TO ACHIEVE ITS POLITICAL OR SOCIAL GOALS

Members of the group advocate violent overthrow of the U.S. Government and the establishment of an Aryan Nation. One member of the group publishes a quarterly newsletter entitled, "The Seditonist." Subjects have been observed in illegal possession of automatic weapons and [redacted] they are in possession of military C-4 explosives. An individual residing near the training ground utilized by the TRM has heard loud explosions coming from the training ground at the time the group's training sessions are going on. A search of part of the group's training ground under the "Open Fields Doctrine" on June 30, 1990 located the remains of one exploded pipe bomb and one partially constructed pipe bomb.

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[redacted] was advised [redacted] that the group had money which they needed to "launder." [redacted] the group [redacted] wanted to murder two FBI Agents who had arrested the TRM subordinate [redacted]. This murder plot was confirmed by Special Agents of the FBI acting in an undercover capacity during conversations [redacted] meeting between a local Austin area law enforcement officer and members of the TRM [redacted] actions [redacted] taken to help maintain the secrecy of the group's para-military training in the Austin area and payments to this officer by the group [redacted]

[redacted]

KEY LEADERS AND MEMBERS OF THE GROUP

[redacted] is [redacted] of the TRM [redacted]  
[redacted]

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members [redacted] group are former members of the "Texas State Guard," which is a state agency made up of volunteers and organized along the lines of The National Guard. The purpose of the numbers of the Texas State Guard is to take over the operation and maintenance of Texas National Guard bases if the Texas National Guard is called to war and leaves the state.

[redacted]  
large ranch outside of Austin, where much of the training of the TRM takes place. [redacted] the killing of the two FBI Agents [redacted]

[redacted] planning of those murders.  
[redacted] the need of the organization to launder some money. [redacted] making payments to one or two local law enforcement officials to help maintain the secrecy of the training exercises the TRM conducts on [redacted] ranch. [redacted] helped post bond for [redacted] was arrested by the FBI [redacted]

[redacted] It was this arrest which has given rise to the desire [redacted] of the TRM to kill the two arresting FBI Agents involved in that case.

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[redacted] He is a long-term associate of [redacted] the so-called [redacted] of the Aryan Nations. [redacted]

[redacted] the desire of the TRM to kill the two FBI Agents who arrested [redacted] [redacted] has accepted contributions to the TRM [redacted] that the TRM "is going to come out of the bag very soon now." [redacted] is [redacted] the most vocal about the political and social goals of the TRM and has voiced the most hatred of persons of other races.

[redacted] is a personal associate of [redacted] the Aryan Nations in Idaho. [redacted]

[redacted] of the Aryan

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Nations and lives and works in Austin, Texas. He is a member of the TRM and is known to have participated in at least one night firearms training session with the TRM at [redacted] ranch in Austin, Texas,

[redacted] He is a close associate of [redacted]  
[redacted] He publishes a quarterly newsletter entitled, "The Seditonist."

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[redacted] business from his home in the Austin, Texas, area. [redacted] has observed [redacted] preparing material to be mailed to various members of the Right Wing Movement in the U.S. According to this source, [redacted] tells these individuals in his mailings to, above all, "arm themselves" whenever they go to a demonstration.

[redacted] is a regular visitor to the Aryan Nation's Compound Headquarters in Idaho. After attending the World Congress of the Aryan Nation in July, 1990, [redacted] met at that location for several days with Skinheads from Las Vegas. One alleged Skinhead leader from Las Vegas has been identified as attending firearms and training exercises of the TRM in Austin, [redacted]

[redacted]  
[redacted] continues to live with [redacted] in the Austin area at this time.

FINANCES OF THE GROUP

[redacted] is at this time the main known source for finances of the TRM. He is independently wealthy and allows the group to conduct training exercises on a large rural property near Austin, Texas, which is owned by [redacted]

[redacted] "main job, every day all day, is to search for financial contributors" for the TRM. [redacted] that the group had some money that they were trying to launder. [redacted] is making payoffs to one or two local law enforcement officers to protect the secrecy of the training exercises the TRM conducts at [redacted] ranch.

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[redacted] has accepted cash contributions on behalf of the TRM. [redacted] helped arrange the purchase of nine acres of land near Austin, Texas. [redacted] now lives. That land was sold [redacted] by [redacted]. Investigation has determined that this particular [redacted]

[redacted] group "financially supported David Duke" in his run for public office in the state of Louisiana.

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Investigation by the FBI in several different cases and actual court testimony by at least several witnesses has confirmed that [redacted] received at least a quarter of a million dollars in cash from "THE ORDER," as a result of armored car robberies which "THE ORDER" committed on the West Coast in 1984. [redacted]

[redacted] and it is strongly believed that some of this cash is being used [redacted] to support the activities of the TRM.

[redacted] receives contributions as a result of [redacted] publication of the quarterly news letter, "The Seditonist." It is possible that some of this money is made available to the TRM also.

GEOGRAPHIC DIMENSIONS OF THE GROUP

[redacted] that TRM [redacted] travels all over the country making contacts with other groups just like ours." TRM members [redacted] frequently travel to Idaho to the Aryan Nations Headquarters. Investigation in November of 1990 determined that one of the leaders of the Skinheads in Las Vegas, Nevada, had travelled to Austin, Texas [redacted] and had participated in one of the training exercises of the TRM at that time. [redacted] travels frequently around the country as a speaker at various Right Wing Movement demonstrations and activities.

Another member of the group has been identified as [redacted] white male, born [redacted] [redacted] has travelled to the U.S. on four occasions since 1988, [redacted]

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and is believed to have falsified some of the information on [redacted] application as far as the locations at which he would be staying in the U.S. [redacted] is known to have attended a TRM exercise in Austin, Texas, [redacted] and was observed in possession of fully automatic weapons at that time.

[redacted] that he was a veteran of [redacted] Army and that he had a group like the TRM in [redacted]. The source observed [redacted] conducting counter surveillance prior to and subsequent to a meeting between [redacted] in Austin [redacted]

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[redacted] of Houston, Texas, had falsified various documents in order to allow [redacted] to remain in the country past the date required for his legal departure. Investigation has determined that [redacted] is living in the Houston, Texas area in the same apartment complex as [redacted] and is now allegedly employed in the U.S.

PLANNED ACTIVITIES AND GOALS OF THE GROUP

[redacted] has discussed the planned activities and goals of the TRM extensively with [redacted] and [redacted]. [redacted] have discussed those goals somewhat with Bureau Undercover Agents (UCAs). They believe in the overthrow of the U.S. Government and the establishment of an Aryan Nation. They believed that those goals could and should be accomplished by force and violence if necessary. [redacted] that the TRM and groups like it were "going to come out of the bag very soon now."

[redacted] two FBI Agents in Austin, were "going to be taken care of" as a result of their arrest of [redacted] told UCAs that while they might not need help on that murder plot now, they might in the future.

[redacted] the TRM, have been observed training with automatic weapons and have told [redacted] that they are in possession of C-4 military explosive which they have used in the course of their training exercises. [redacted], is known to have participated in at least on such training exercise with the TRM [redacted]. Investigation has identified an individual residing near [redacted] ranch, who has allegedly heard "explosions" coming from [redacted] ranch during recent training exercise of the TRM. It is clear that the TRM planned to continue its

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military-type training with automatic weapons and explosives and is involved in payments to at least one if not two local law enforcement officials who patrol the area near [redacted] ranch and who are suppressing reports from individuals who hear the explosions and automatic weapons during the TRM training exercises and have tried to report them to local law enforcement agencies.

It is clear that members or associates of the TRM plan to continue the possession of weapons in the course of their activities to try to bring about their and political goals. Source [redacted] a source who has given reliable information in the past and is known by independent investigation [redacted]

[redacted], has observed written material of [redacted] where he is instructing others to "arm themselves" before they go to any movement demonstration or activity. Confidential source [redacted] who has supplied reliable information in the past about [redacted] which has been independently verified on occasion, has advised that among [redacted] computer activities has been the establishment of a computer bulletin board through which members of the Right Wing Movement may maintain contact with each other by computer. [redacted]

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[redacted] At about the same time, a confidential source of the Los Angeles Office of the FBI reported that among the computer bulletin boards set up by [redacted] in Austin is one secret one in which persons with the right code numbers can dial [redacted] phone and enter his computer system and enter the names and addresses of homosexuals who live in the U.S. and Canada. The purpose of the list, according to the source, is to allow action to be taken against those homosexual individuals in the event of a takeover of the United States by the Aryan Nations.

ASSOCIATION WITH OTHER ORGANIZATIONS AND GROUPS WHICH ARE SUBJECTS OF FBI DOMESTIC SECURITY-TERRORISM INVESTIGATIONS.

Investigation has established [redacted] of the Aryan Nations as a member or close associate of the TRM in Austin. Source information in an independent investigation by the Salt Lake City Division of the FBI has established that [redacted] had extensive meetings with Skinheads from the Las Vegas, Nevada area at the Aryan Nations Headquarters Compound in Idaho in July of 1989. Source information and independent investigation by the FBI in the San Antonio Division has determined that one of those Las Vegas, Nevada Skinhead leaders attended and participated in a training exercise of the TRM in Austin, [redacted] Various Skinhead groups around the U.S. have been the subject of full field investigations authorized by FBI Headquarters and the Department of Justice in the past.

TEXAS RESERVE MILITIA,

Review of [redacted]

[redacted] The Kansas City Division has advised that two separate sources have reported that [redacted] has joined "THE ORDER" since he has been at [redacted] In discussions with [redacted] the TRM, has called their group "THE ORDER," and referred to a firearms training session of the TRM as "The annual firearms qualification of THE ORDER."

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When the residence of [redacted] was searched by warrant by the FBI [redacted] cards indicating his membership in the "Bruderschweigen" (The Silent Brotherhood) were found. The Bruderschweigen was another name for the group calling themselves "THE ORDER" which carried out armored car robberies and murders in 1984. As previously stated elsewhere in this communication [redacted]

[redacted] During a surveillance of [redacted] he was observed at a Klu Klux Klan (KKK) rally in Hico, Texas, and was personally associating with and embracing Richard Butler, the leader of the Aryan Nations. He and Butler were observed to have private conversations on that date.

ACTIVITIES DURING THE LAST SIX MONTHS

[redacted] during contacts with [redacted] during the last six months, has been told [redacted] have the intention of murdering the Bureau Agents [redacted] group was involved in laundering money. [redacted]

[redacted] the source observed a firearms training session of the TRM where fully automatic weapons were present. [redacted] participated in the firearms exercise that evening [redacted] individuals participating in this firearms training session as [redacted] and another as a Skinhead leader from Las Vegas, Nevada.

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Source [redacted]

[redacted] confidential source [redacted]  
[redacted] number of [redacted]

[redacted] source [redacted] agreeing with  
the fact that [redacted]

Source [redacted] continued his contacts with [redacted]  
throughout the summer and fall of 1990 identifying other members of  
the TRM. [redacted] the TRM  
"is going to come out of the bag very soon now." Source [redacted]

[redacted] The law enforcement officer  
reported [redacted] that a neighbor [redacted] had heard explosions and  
automatic weapons fire coming from [redacted] ranch. The law  
enforcement officer [redacted]

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[redacted]  
thereafter made reference to some proposed payoffs to be made to this  
law enforcement officer and his partner in the future for this  
assistance. [redacted] told by [redacted] and another TRM  
member that the explosions the neighbor heard were C-4 military  
explosives which they were setting off. [redacted]  
gotten a new shipment of C-4 in." On June 30, 1990, a search of the  
portion of [redacted] ranch used as a firearms range was conducted by  
Special Agents of the FBI under the Open Fields Doctrine. One  
exploded pipe bomb and one partially constructed pipe bomb were  
located.

[redacted] believe that [redacted]  
[redacted] UCAs were white supremacists who were willing to  
commit violence in order to further the white supremacy movement in  
the U.S. In conversations with the UCA's, [redacted]  
directly and indirectly confirmed the previous conversations each had  
had [redacted] wherein they discussed the commission of murder.  
[redacted] in particular told one UCA that, "I know that you believe there  
are two people that we want taken out. That's [redacted] deal. You  
deal with him on that. I don't want to know about it." [redacted]  
[redacted], while declining to hire [redacted] and the UCA's for  
crimes of violence at this time, stated that they might need the  
assistance of the group in the future.

[redacted] advised in the fall of 1990 that he had observed  
some materials being prepared by [redacted], for mailing to  
various persons throughout the U.S. involved in the white supremacy  
movement. In these materials, [redacted] instructed the recipients to "arm  
themselves" whenever they went to a public demonstration.

TEXAS RESERVE MILITIA,

Investigation independent of the confidential sources and the UCA's mentioned above has identified a number of members of the TRM as former members of the Texas State Guard, an all volunteer agency which is an auxiliary to the Texas National Guard. The Texas State Guard has as its purpose the operation and maintenance of Texas National Guard Bases in the event that the Texas National Guard is called up to active military service and leaves the state. Many of the former Texas State Guard members who are in the TRM quit the Texas State Guard because they were not getting the "combat training" they desired.

[redacted] is an associate of a former Texas State Guard Officer [redacted] of the Fort Worth, Texas area. [redacted] entire Texas State Guard unit was disbanded by State and Federal authorities because they were conducting combat training and other activities in violation of Texas State Guard policies. An additional reason that the group was disbanded was because it was felt their activities violated a Texas state law which prohibited the organization of "a private army."

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The Los Angeles Office of the FBI developed information that among the purposes of the computer network being set up by [redacted] out of Austin, Texas, is the existence of one data base which contains the names and addresses of persons believed to be homosexual. Persons with access to this computer data base can add to the list the name of anyone they think falls in that category. This list is supposedly being kept for reference purposes and is to be used if the Aryan Nations ever takes over the U.S. Government.

[redacted] who has supplied verified information in the past concerning [redacted] activities, advised that [redacted] made indirect threats to [redacted] apparently suspecting [redacted] was cooperating with the FBI.