

The Mechanics Of Election Fraud: Means, Motive, Opportunity

A confidential briefing paper by Jim March, 9/13/04 – major research by Bev Harris

In studying the elections software sold today by Diebold Election Systems, any honest observer would note that the product's security is at a minimum, grossly substandard. A deeper look has taken critics beyond that; I myself believe that the software is deliberately "rigged" for voting fraud. For a look at some of the evidence for this claim, see also: <http://www.equalccw.com/deandemo.html>

We know the most about the Diebold products (of all the electronic voting system vendors) because they've left their software sitting on an open website (actually FTP site) with no password security. We "kicked the tires" and the results...well, the wheels came off, the engine blew up and the seat covers spontaneously melted.

Bev Harris did a demonstration of this same information for Howard Dean on CNBC approximately six weeks ago; Dean was astounded, asked (on camera) whether or not California Secretary of State Shelley had seen this, and generally expressed dismay. Since then, a number of high-level Democrat operatives have been "poking around" the entire electronic voting reform movement, collecting vast amounts of info from myself, Harris and a number of others. We have no idea what they plan on doing with it but they're not sharing any data, they're taking it in. Worst case: if Kerry loses, they'll scream bloody murder about the long-standing Republican/Bush political ties at "Diebold Corporate" (the original Canton Ohio based ATM and bank security company).

BUT: assume for a second myself, Harris and even Dean are correct – we end up with a key problem:

How do you set up widespread vote fraud, coordinated with either national campaigns or local races, and not get caught? Or: if you're going to sell "bribe access" to the electoral machine to local candidates or the proponents of bond measures, construction projects, local races and the like, how likely is it that somebody will eventually complain and produce a tape recording of a bribe enticement in a Federal grand jury hearing?

Quite simply, coordinated election fraud contains so many risks that most observers have at least questioned the likelihood of such and many dismiss it outright.

But there's another possibility entirely. Stock manipulation. Find out election results early on election day, or better yet rig the results for bond measures and construction projects, and you don't **need** to coordinate with anybody else or collect bribes or the like. ***You simply engage in "insider trading" on a mass scale.***

We don't know for sure that this is what's wrong. But it makes way too much sense.

Let's start with the backgrounds of five key founders and high-level employees of Global Election Systems, the Vancouver, Canada-based electronic voting company purchased by Diebold of Canton OH in 2002 after some investing in Global in 2001¹.

Founders:

Norton Cooper - jail for a year mid-1980s for fraud against the Canada government; ordered out of stock pitch schemes and was part of the collapse of the Vancouver stock exchange - ordered by decree not to pitch stock after 1992 or so because he caused havoc every time. Written up by Barron's and Forbes as a "hazard to avoid

¹ See also "Black Box Voting: Ballot Tampering In The 21st Century" by Bev Harris, esp. the "Diebold" section at the end of Chapter 8. Free PDF downloads can be found at: <http://blackboxvoting.org/>

at the golf course". First convicted of political corruption in 1974 – look up a Canadian case titled “The Queen v. Norton Cooper” 1977 Canadian Supreme Court.

Charles Hong Lee - stock schemes; Cooper's partner pitching deals. Defrauded Chinese immigrants, \$600,000(Can) court-ordered restitution mid-90s. Sold "real estate" which was actually the bail for the third partner below to the tune of about \$300,000(can) circa 1995ish.

Michael K. Graye - nailed for stealing \$18mil from three companies in the '88-'89 era, caught in '94, jailed in the US for stock fraud around '94 re: Vinex wines, released around 2000 - 2002(3?) in the US, brought back to Canada, still in jail there. Arrested for tax evasion and money laundering circa '94.

By the time of the Diebold buyout in 2002, the above people were gone from Global, mostly due to jail terms.

(NOTE: the Vancouver Stock Exchange basically collapsed in scandal by 1998 or so when it merged with the Alberta and then Toronto exchanges, to the detriment of both. Cooper, Lee and Graye have been cited as a big part of the problems although another scandal (Bre-X Mining) was the death knell.)

Employees:

John Elder was a cocaine trafficker, in a WA prison early/mid 1990s...fellow inmate was Jeffrey Dean (see next entry). Handled ballot printing for Global late 1990s. Seems to have been the one to bring Dean into Global.

Jeffrey Dean was convicted early '90s of 23 counts of computer-aided embezzlement. He was a computer consultant for a large Seattle law firm and defrauded them of about \$450,000 in what US courts called a “sophisticated computer-aided scheme”. In a statement to Seattle PD, he claimed he needed the money because Canadians were blackmailing him; in that country, he'd gotten into a fistfight and the other guy had died. (Yes, I've seen the police report.) He joined Elder in the Global ballot printing business late '90s, and with Global's introduction was doing computer consulting with the King County WA elections division – they had no idea of his criminal record. By 2000 he was doing programming for Global and by early Oct. of 2000 he was a full employee and lead programmer for the GEMS vote-tally product. By late Oct. 2000 and shipping in time for the November election, GEMS ver.1.17.5 contains the first “double set of books” problem (see also “Dean Demo” link above for details). *At the time Diebold bought Global in 2002, Dean quit and was immediately hired back as a consultant via management decision made within the division. This appears to be an attempt to keep Dean's criminal past out of Diebold corporate head office's scrutiny.*

Guy Lancaster and Talbot Iredale: these two “top techies” don't have a criminal record we can document, but both have been involved in Global from day one (1988) and were among the first employees directly hired by Cooper, Lee and Graye. Lancaster is the designer and maintainer of the Global “optical scan” system and is still with Diebold Election Systems post-buyout; Iredale is now the chief technical officer of Diebold Election Systems.

Sophia Lee: no known criminal record other than minor passport problems on at least one trip to the US. Did field tech support for Global and then Diebold Election Systems; based in Canada, of Hong Kong origins, probably a relative of Charles Hong Lee. Sophia Lee stole an entire active voting database on March 5th 2002 from the San Luis Obispo County California elections office, taking the entire GEMS database of votes as of 3:31pm on election day (primaries) and uploading it to the Global (later Diebold) FTP site on election day. Bev Harris found it in the download of the FTP site between 1/23/03 and 1/26/03. I later asked SLO County registrar Julie Rodewald about the file; she confirmed it's authenticity, and upon examining it explained that it

was the absentee vote (about 1/3rd of the total). The file was zip-password-protected with a password of “sophia” – Rodewald confirms Sophia Lee’s presence in that county on elections day.

Other data:

Global Election Systems was originally “Macrotrends” at it’s founding in 1988. They ran a US subsidiary in the US called North American Professional Technologies (NAPT) based in McKinney TX. This soon became the manufacturing arm of Global and then Diebold; management, programming and tech support is still mostly managed out of Vancouver BC.

Insider contacts with Diebold Corporate in Canton often express dismay at their inability to find out what’s going on at McKinney and Vancouver. The latest involves thousands of election temp workers ramping up for this November’s elections with no background checks and Canton’s HR not even having lists of names.

There are no discernable political ties either in Canada or the US involving the old Global staff.

Adding up the pieces:

Forget actual election manipulation for a sec, and let’s look purely at the “insider trading” possible with just the **knowledge** of which way the vote is going.

Sophia Lee stole the vote database from SLO County early enough in the day to see how the vote was going (based on the 1/3rd or so of the total recorded by 3:31pm) to relay information to Charles Hong Lee and get stock bids in before closing. That’s just two people, probably relatives. Profit potential unknown – I’m now checking on SLO County bond/ballot measures that day in that county. But still, we’re talking about a process that definitely IS profitable if repeated, doesn’t involve actual “vote hacking”, is virtually undetectable and involves few enough people to stay secret.

Once this is taken into the realm of actual vote tampering, which Global/Diebold Election Systems clearly has the ability to do, profit potentials go up further. Construction project votes can involve billions of dollars, ditto bond measures. Cooper, Lee and Graye would have had the ultimate “insider trading scheme” that could be run from within jail if necessary based on their prior knowledge of assistance in the scheme by current employees such as Lancaster and Iredale.

Yes, this is speculation. But it fits the available facts, esp. the criminal tendencies of the three founders.

If this is what’s going on, then they must have **loved** the political ties between Bush and the GOP and the Diebold Canton people such as Wally O’Dell. That became the ultimate “red herring”, a black-comedy diversion from the real game.

If this is correct and a criminal enterprise was hidden from Diebold Canton, then there IS no “grand conspiracy” to “overthrow the government”.

Instead, there’s a pack of money-grubbing crooks, which is a hell of a lot easier to deal with.

Jim March

Member, Board of Directors, Black Box Voting

Also: member, Republican Liberty Caucus, Bush supporter and lobbyist in the field of Self Defense Rights.

jmarch@prodigy.net / 916-370-0347 / <http://www.equalccw.com/voteprar.html>