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Opening Meditation: Cheryl

Everyone is invited to Cheryl Croci's Sunday and Monday ascension and activation calls

- 9 pm EST/6 pm PST
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Housekeeping: Cheryl

- BBS:**
- **We only owe \$65 this week** **Thank you! Thank you! Thank you!**
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- Need \$450 for GAS, food & bills this week
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 - E-mail: koran999@comcast.net
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Santa Fe, NM 87505
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The work we do together, the sharing we do - all of this is important: thank you all for sharing!

Phone Numbers: 530-413-9537
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Hard News:

R: Camp Loveway: A diagram - Antarian version or Orion version - the middle star in Orion's belt, call AN - if you've read the book EL-AN RA.

- Teran was watching his grand children play with some others at twilight. They were doing a circle, and an electric blue kind of umbrella manifested in the circle, and devas and elves and fairies came to play with the kids - it was real!
- Our dimensional reality is merging with the 5th, and the crystal kids are seeing this. Rama sees this every day and he tries to maintain seeing auras, thoughts around people blend into a mix of so many different colours and he can tune them out but can focus and see the details if he wishes.
- Today they talked of Little Red Riding Hood and the wolf, the ancient energy which is out of its time-space continuum; they are not really fairy tales, but myths of things that actually happened.
- The 4th dimension has actually collapsed; what is being said is that the magical things are coming up and we can focus on them instead of the dark stuff which is around us.

Natasha, KOS' wife: all the stories from now and leading into Dec 21st - this time frame is when we need to focus on Ascension for ourselves, and give love to the dark ones, too. The rest of the reality is taking care of itself; Sanat Kumara, St Ge, Elmorya, Dwhal Kuhl,

Moonwise.com - check out this website; she has a show after Camp Loveway - Mary Lynn Lablanc spoke of the masters coming in now - whether it is the Antarrrian Conversion or the Orian Conversion - we meet in the middle and go through the Gate of An - spoke of Teshe and the very ancient technologies: Stonehenge, the iron Pole in India [a cosmic lightning rod - hooked up with the Giza Plateau and the structures on Mars and the giant grid which the ley lines are part of]

- The next moment this has to do with the cosmic gears - the miticlurians come and do their work and this changes everything
- Zoroaster is another life time of Melchizadek ??????????????
the Brother hood of Mel is in charge of the
the externalizing of // is us, showing up

CounterSpin: talking of Benghazi, Libya and all the gold in the Libyan central bank - where did it go? R says it has St. G's name on it! They killed a clone of ghaddafi and of bil Laden - all goes back to 9/11 when US was hijacked - big distraction

Right, Left and Centre: speaker was disgusted - have not seen truth since JFK died - Every piece of what is happening is connected to the Fuhrer whose daughter is in German Mother is here and inviting us to dance on the naqual side and be not afraid

T: a re-reading from what she read last week - Arquelles

Reading: Aura Pictures of President Obama and Mitt Romney
Lucifer and El Morya in the same place, at the same time

[SEE BELOW]

R: Ed Schultz was on a roll last night - about Freeport, IL, called Bainport by the people who have lost all their health care, their retirement and pension funds, and all of their living in this world!!!

- Romney impervious to the understanding of the common man; the elite see themselves as the caretakers of the ordinary people and at the same time, want to kill us all!

Audio: Ed Schultz' program

- to show you how Republican economic policy kills the American people

- Romney's condition of "romnesia" is contagious - now Ryan has it!
- Ryan says the Pres and others do not know the difference between "out sourcing" and "off shoring"
- The company had \$500 Million net revenue in 2nd quarter, and workers being arrested for demanding their pensions, etc! Say what???
- M Romney owns \$8 million in shares for Sensata
- the people in China willing to work for \$1 an hour: if these ones were willing to work for \$1 an hour, would you keep the plant in the US?
- Romney would not even stop in Freeport and his bus went past the town while he was on tour!
- Democrats trying to pass a bill in the House about keeping jobs in the US - Republicans blocking it!
- Is it morally correct for multi-billionaires to ship jobs overseas - when does the greed stop?

Congresswoman Jan Schakowsky: welcome to Romney's world! Will we have Romney world all across the US?

- Republicans won't pass the bill because they are benefiting from the cash flows
- Republicans sabotage all efforts to create jobs -

The Last Word: Laurence O'Donnell

Dr Obama says Romney suffers from Romnesia

Dr Biden says Romnesia is contagious!

R: got some information today that Malala was not recovering, as the pictures coming from the UK show - THIS IS NOT TRUE.

T: Faction 2 acting out on another topic: that Fed Reserve & ?? gone

They have been gone since

They have no authority to say anything: THEY HAVE NOTHING TO SAY ABOUT NESARA
STOP GIVING OUR ENERGY TO FACTION 2 - THE WHITE KNIGHTS ARE WATCHING EVERY
THOUGHT - the aura pictures of Romney and Obama: that kind of information is on record for all
of us! THERE ARE NO PACKAGES GOING OUT - NONE!

T: another false story: the one about Asia and fighting the dark Sirians at the base of the South China sea - Natasha almost rolled on the floor laughing! Even the dark energies of the galactic powers could not do this: this is the black ops of the US playing with the black ops of SE Asia - they are all fighting over the same thing, and with each other - has nothing to do with galactic powers who will not allow them to make the planet go super nova!

Laurence: she will need major re-constructive surgery -

- Laurence talks to the documentary maker on how he got to know about Malala and when he made the documentary - Jan, 2009 was when he first met her.
- Laurence comments on the fact that Malala wanted her picture to get out - she understands the importance of media and people knowing she is OK
- Documentary maker: the Taliban are on the defensive when they say that they see her as a traitor, it has nothing to do with education of girls! [50,000 girls would have been affected when the Taliban shut down the schools in 2009]
- Gordon Brown's web site, the international coordinator for education - he is going to Pakistan to talk to the President this coming week
 - only half of the girls in Malala's area of Pakistan go to school!

Audio: David Cay Johnston on Jennifer Granholm's War Room on the way that internet companies, telephone companies rip people off [detailed in Johnston's book, just released]

Audio: Jon Stewart's show with President Obama

Reading: Oct 9 Mitt Romney's Bain Made Millions On Big Tobacco In U.S Russia [SEE BELOW]

Caller: brings up the sophistry of the elite - use of the word "freedom" to justify what they do -
freedom for the pike means death for the minnows!

T: it's been going on for 13,000 years; it's our job to change the story!

Eliot Spitzer: magic number: estimated value of the White House \$1 billion ????
The black Moorish people of this land built that place!

Music: singer Garrett John - one of the Indigos - the spiritual Revolution is evolution

Melissa Etridge [?]

a song for B M Mittens - a parody

one for Richard - Dream On by Arrowsmith!

Astrology: Richard

- Wants to explain the question about where am I, where are you? A download from Oct 20
- to describe a diagram with words - imagine a capital Y - widen the space between the diagonals and don't let them come to a point; drop the vertical
- In the gap between the diagonals, write NOW or THE PRESENT
 - Put arrow heads on both ends of the vertical so there is an up arrow head
 - on the left side, write MEMORIES; on the right side, write STORIES (the past)
 - at the bottom of the down arrow head, put a big dot and label it BLACK HOLE

Ri: Refers to **Jane Roberts'** books: good to read if have never; good to review if you have

(1) Oversoul Seven

(2) The Further Education of Oversoul Seven

(3) Oversoul Seven and the Museum of Time - 1984 0-13-647446-2

- Sun in late Libra; conjunct with Saturn and early Scorpio, trine to Neptune - lots of support now Mercury moving fast, but will start to slow down as it gets ready to retrograde
- Mars building to an opposition with Jupiter - energies beginning to work together - will max out on Hallowe'en -

T: Oct 30 and Nov 13 are two key dates

Ri: have a T-square with Mars opposite Jupiter and Uranus trine to Mars

T: Monday's energy: how does this affect Monday night's debate?

Ri: expects a lot of examples - a discussion about facts - Aquarius is about analyzing

- AA Michael and his sword of Truth is cutting through the BS - as this moves through Scorpio, will rip through the propaganda machine
- Thursday: Sun will be on top of Saturn and its conjunction: this should help bring forth what Spirit has in mind for us; it's a manifestation - we should see some justice and balance manifesting here

Romney's birth date: March 12, 1947

Caller: asking about Romney, too

Ri: the chart of a master

- has a grand air trine
- almost a complete kite; he has 5 trines; moon conjunct Jupiter
- moon in 6th house

• He is doing serious inner and outer work - definitely a spiritual mission for him

Caller: asks about Barack Obama - 7:24 or 7:11 - Aug 4, 1961 - Honolulu - the 13 minutes makes no diff

Ri: Barack's is the chart of a master and is more complex than Mitt's

- it's no surprise that Mitt has done what he has done or can do what he does
 - he's a master communicator; guided by divine will - had to be there - his mission
 - a stellum: sun mercury Mars in Pisces - powerfully placed
 - Saturn conjunct Pluto on 4th house cusp
 - He's here to deliver communications using Gemini networking & he will have a network for sure

T: we all have such networks - but he is up to no good with his divine gifts!

Ri: those born after WW 2 with Saturn conjunct Pluto - that is powerful positioning

magic does not judge; it just is - it's difficult and dangerous to assign motive with individuals with such powerful charts as these two

T: yet he has a record, and that record only points to negative motives!

Ri: our perception as individuals moves back and forth; what we are going through globally with the world leaders and so on - they are working off karma - you don't get to this level of gov't on the world stage without a certain level of karma behind you - it's a divine will game here

T: when the evidence of the record shows it is not thy will be done, but my will be done and the record shows all kinds of deaths etc - then what?

Ri: no planets in 12th house

- 7, 8, 9 house are empty, so is 2nd
- with empty houses: chances are you don't need any help in that particular house
 - I get assistance in those houses where I do need help

1 - house of action, creativity

2 values, personal

3 brother and sister

4 home

5 house of creativity - Leo

6 healing of self-assurance

7 relationships

8 other peoples' money

9 further education

10 career

11 social interactions - one on one

12 karma

T: Does he have any karma?

Ri: No he just didn't need any extra help - he's coming in good shape in terms of karma

Ri: Obama's house - has Chiron in 1st house

2, 3rd - empty

4 moon here ruled by Taurus

5 moon in Cancer - 2 kids

6 sun in Mercury - Barack is involved in a spiritual, mental healing

7th Uranus in Leo, Pluto in Virgo - his relationships are guided by Divine Will and Divine Love

- Barack's pattern is governed by his Karma
- he has a lot of aspects tied to 12th house - meaning? Jupiter and Saturn as a pair of energies - Jupiter is expansion; Saturn is constraint -

Caller: Barack's past life - a past life as a civil war general ?? and he's re-doing it as a leader here

- Jupiter in 12th house - getting extra angelic help

T: has heard that a great uncle or someone was in the civil war -

Ri: his destiny is between Uranus and Pluto - Divine Will and Divine Love [Barack]

- Pluto today is trine to 7 Virgo - he's doing a Pluto trine Pluto
- this generation with Neptune in Scorpio are open to different kinds of wisdom downloads
 - those of us born with Neptune in Libra- we get our best stuff through the air energy of Libra
 - these younger ones are getting theirs on the magnetic circuit, the emotional and feeling circuit - their mission is about transforming feelings and learning how to transform feelings

Ri: Obama has had no free will choice to choose any relationships - only Divine Will & Divine Love

Caller: investigation on killing of ambassador: would it not put him in a difficult spot if he brings it up?

T: Natasha said those 4 would be exposed

R: yes, it will come out in the wash; who does it will be based in the investigations and will point based back to Hillary, and it will point out that Holder is a schill for Wall Street -

T: we need a good AG - where is Patrick Fitzgerald?

Caller: will this be the October surprise?

T: the one October surprise they heard about is the attempt to crash the market!

R: the markets are very precarious

T: to take everyone's money would be good - without money, they can do nothing

- The Steve Colbert/Andrew Bassiango and going to Mars - that is another good move

Caller: she watched the market all day yesterday - they were 250 points down and then went up to 125 up she also was shocked by the Colbert piece

T: it was only on the internet!

Caller: it was on Direct TV!!! Satellite

T: they have Dish Network but they did not see it on tv! The state probably interfered!

Caller: saw it on the air 3 times!!!

T: when dealing with a chart from a neutral place and then overlay it with facts - how does one make a decision to hold someone accountable based on the facts?

Ri: this kind of question is outside the purview of astrology

T: he would have to have a propensity to act in a certain way: there is a report that he as Asperger's condition - where does it show up?

Ri: 12th house; 8th house - where criminality will show up - but through astrology can't talk about that kind of intent at ego level; can talk about intent of incarnation

T: yet what can be said when we know this one has to be held accountable for big crimes?

Ri: might relate back to Piscean energy - working with illusion / delusion the counterpoints of the energies in Pisces. The ability to weave webs is strong and is in 11th house - a relationship house. 7th is more about personal relationships; 11th is about public relationships - has that capability in spades. Why and how his pathway looks like; what's his story here; the hand shake here or there - it's his history.

Caller: looks at Scorpio energy - he could be a big liar

Ri: the 2nd best sign after Pisces for deception is Scorpio
Romney is working to heal that

T: now we've looked at Scorpio, Piscean stuff - what does this do for Monday?

Caller: has seen that one of the leaders in Iran that they are open to talk with the President after the election on the nuclear/atomic issue

T: they know BO will be president!

Caller: whoever is president!

R: Romney is not a clone!

Caller: they are still playing their roles even though other energies are trying to wake them up

T: McCain is a clone, so is Hillary and Netanyahu - Romney is the only non clone

- This is the end of the end of the end - the Ashtar Command and those of us in the ground crew -
 - come to the Croci calls - all the hosts of heavens are working with us, including the angels, fairies
 - that call has really focussed work - like a laser!
- So we need to have compassion for these ones in the middle of our tests / as part of our tests.

Music:

T: looking at the charts of Romney, Obama - Obama's is more complex
romney has 5 grand trines

R: this is mother's grandson, the great and shining morning star

T: Romney is the Anti-Christ - may we remain neutral and keep our eyes on the prize

Reading: **The Amazing Story of What Happened in Libya**

[SEE BELOW]

Reading: completes the article: Mitt Romney's Bain Made Millions on Big Tobacco in US, Russia staring at "Moscow had descended into bloody chaos that fall, . . ."

Audio: Red Ice Creations - Red Ice Radio

<http://www.redicecreations.com/radio/2012/10/RIR-121018.php>

October 18, 2012 David Icke - Limitations of Belief & Awakening

British author David Icke has written 20 books and travelled to over 55 countries since 1990. His books reveal how a hidden hand is behind world-changing events like the attacks of 9/11 and the manufactured wars in the Middle East, as part of a mass mind manipulation technique he has dubbed problem-reaction-solution. While being controversial and often heavily attacked, David Icke has driven on with his relentless investigation into subject areas that others don't dare touch. David returns to give us a peak into his upcoming presentation at Wembley Arena, going deeper down the rabbit hole than anyone's gone before. We'll discuss the limitations of conspiracy research and the need to move beyond the aspects of the 5 senses. David explains how "reflex, action" hinders a truly open mind. Then, he speaks on humanity's awakening and the crossroads. The hour ends on the death of a showman, Jimmy Saville, a grotesque paedophile, a necrophiliac, a close friend of Prince Philip and one of Britain's most famous characters.

Reading: from Jose Arguelles **The Mayan Factor: the path beyond technology**

Even more dramatic than the rise of the Mayan civilization was the demise of the civilization

Music: Peace Train - Cat Stevens

2012, Oct 19 **Aura Pictures of President Obama and Mitt Romney from the Debate**

Goodness... Gracious!!...the President's aura definitely shows he is way beyond 3D for those with eyes to see; even his physical image cannot be contained by television.hmmm...a true Galactic Commander.

Mona Delfino took some aura pictures of President Obama and Mitt Romney during the debate last night.

It is great if we can take aura pictures of people running for office. That will change things. That would increase transparency

Notice that this one goes outside of the TV~ just an observation! Yes... His aura is large!!

Gotta love this aura camera! Either there's a big shadow over the Mitt's head, or he's thinking unhappy thoughts...

<http://soundofheart.org/galacticfreepress/content/aura-pictures-pre...>

2012, Oct 9 **Mitt Romney's Bain Made Millions On Big Tobacco In U.S., Russia**

http://www.huffingtonpost.com/2012/10/09/mitt-romney-bain-tobacco_n_1949812.html



Posted: 10/09/2012 12:46 am EDT Updated: 10/09/2012 10:53 am EDT

WASHINGTON -- As the Soviet Union splintered in the early-1990s, Sushovan Ghosh packed his colleagues into a van and chugged across the collapsing nation, hitting depressed towns and famished cities, busted up factories and lonely kiosks. In each ragged destination, they stopped long enough to interview cigarette smokers.

Ghosh plied the citizenry with free cigarettes and, sometimes, McDonald's hamburgers. They were pursuing a lucrative target: determining what Russian smokers wanted out of a cigarette -- specifically, a Western cigarette. "We had to develop a brand the Russians would smoke," Ghosh explained to The Huffington Post. For one study, they interviewed more than 1,000 smokers. "We stopped the bus and offered them cigarettes. And they all queued."

Ghosh's work for cigarette companies was chaotic, unbridled and, ultimately, deadly. To Mitt Romney and his colleagues at Bain & Co., it was a chance to rake in money. Ghosh said he reported directly to Romney, who was excited about the Russian market. "He was my boss," Ghosh said.

At the time, Romney was CEO of Bain & Co., the Boston-based consulting firm that launched his white-collar career and led him into the high-stakes world of corporate buyouts. Although Romney's activities helming the private equity giant Bain Capital have drawn significant attention, his role at Bain & Co. has received almost no public scrutiny. A Huffington Post investigation into Bain's tobacco work found that the consulting firm helped Philip Morris increase its revenues in the U.S., and aided two other tobacco titans as they vied to move forcefully into the Russian market.

It's all a long way from some of the deals Romney has used to position himself as the godfather of the big box -- investing in companies like Staples and The Sports Authority -- and a wholesome salesman to the middle class. The modern family spends a lot of time shuttling between Romney's investments -- dropping off toddlers at one of his Bright Horizon daycare centers, celebrating a Little League victory over his Domino's pizza or taking a shopping break in a Brookstone vibrating massage chair. While some Bain Capital deals have ended in plant closings and layoffs, Romney has embraced the family-friendly version on the campaign trail.

"The back-to-school season is here, and as parents take their children to shop for school supplies, I suspect that many of them will be visiting a Staples store," Romney wrote in an Aug. 23 *Wall Street Journal* [op-ed](#). "I'm very familiar with those stores because Staples is one of many businesses we helped create and expand at Bain

Capital, a firm that my colleagues and I built."

Bain's Russian business wasn't about family-friendly products. Those deals were about cigarettes. And that work sent Bain into the shadows of the post-Soviet economy -- including helping to orchestrate anonymous, convoluted cash transactions to keep major deals hidden from regulators and competitors. It was part of a free-for-all that involved wholesale looting of major industries, as Western technocrats helped facilitate the transfer of Russia's wealth into the hands of a few oligarchs. That set in motion a populist backlash that helped sweep Vladimir Putin into power, giving the Kremlin dominance over a country Romney has lately called our "number one geopolitical enemy."

Bain was in the middle of all of this, putting to work the same skills it had sharpened in the U.S. -- using taxpayer money to help it gain footholds in Russia. In March 1993, the American government gave Bain & Co. a \$3.9 million contract to advise Boris Yeltsin's administration on the privatization of the Russian economy, according records detailing the arrangement uncovered by The Huffington Post. Romney's consultants helped foreign firms and aspiring oligarchs decide how to corral Russia's riches -- including writing an official manual that outlined how best to navigate the process. At the same time, Bain leveraged its contacts with senior Russian officials to arrange sweetheart deals for its tobacco clients.

The Soviet Union's downfall meant rich rewards for any company able to move quickly, and the timing was right for U.S. and British tobacco companies eager to control the cigarette market. Under pressure at home for marketing an addictive and deadly product, domestic sales were shrinking. It was a dilemma Bain and Romney knew well, having worked extensively on behalf of Philip Morris in the U.S. beginning in 1990. In 1992, Bain approached British American Tobacco -- the international conglomerate behind Kool, Lucky Strike, Pall Mall and Benson & Hedges -- offering a lucrative partnership in Russia. It worked.

Documents chronicling Bain's tobacco work are housed at the University of California at San Francisco's [Legacy Tobacco Documents library](#). Following a tip from a reader who wrote to OffTheBus@huffingtonpost.com, The Huffington Post reviewed hundreds of Bain documents from Legacy's digital archives, along with materials gathered from industry experts and government databases. The Huffington Post also interviewed former Bain employees who worked on the tobacco projects, additional American experts, tobacco control advocates in Moscow, and those with experience with Russia's early, unbridled privatization years.

The documents show Bain's enthusiasm to help its client enter the Russian tobacco market, despite obvious and well-documented health hazards associated with smoking. "They were a trusted partner," explained K. Michael Cummings, professor in the Medical University of South Carolina's Department of Psychiatry and Behavioral Sciences, who is familiar with the Bain-BAT correspondence. "It appears that BAT relied on them. They were a long-term client."

Despite repeated requests, neither the Romney campaign nor Bain would provide specific start and end dates for Romney's tenure running the consulting firm. The campaign has asserted that he "returned to Bain & Co. 1990-1992" -- a key period in the firm's tobacco work. However, government records and several media reports place Romney at Bain & Co. as late as the summer of 1994. Romney's Senate campaign told the *Boston Herald* in a July 24, 1994, article that their boss was juggling Bain & Co. meetings with the demands of his political race.

Romney's personal involvement with Bain's tobacco business is unclear. But as CEO, he was responsible for the company's work. Ghosh and another executive who was interviewed said they reported to Romney. Bain and Romney would not discuss their respective involvement in the Russian tobacco market. "We adhere to confidentiality agreements and don't confirm who our clients are, nor discuss any of our client work," said Bain spokeswoman Cheryl Krauss.

Jem Maidment, a BAT press relations manager, said his company respected Russian laws in all of its dealings during privatization. "We would have obeyed the laws, privatisation rules and tax regulations in force at that time. We cannot comment further," he said in a statement. He also raised concern about the information contained in the tobacco documents. "These are old documents, context unknown, and being cherry-picked may lead to inaccurate conclusions."

Regardless of the past context for the tobacco documents, the current context for Russian smokers is clear.

"Russia is facing a true public health crisis," said Matthew L. Myers, president of the Campaign for Tobacco-Free Kids. He added that Big Tobacco's impact on Russia "is directly correlated with skyrocketing smoking rates among young people, particularly young women. The impact is direct and potentially catastrophic."

In 1992, reports showed that [only 7 percent of Russian women smoked](#). Since BAT and other Western companies have taken over Russian markets, that number has more than tripled. In 2009, the Global Adult Tobacco Survey, cited by the World Health Organization, [reported](#) that nearly 22 percent of Russian women had taken up the habit.

The same survey found that smoking rates among Russian men -- already high before Communism's fall -- have also risen since Bain's tobacco exploits of the early-'90s, with 60 percent now smoking. Nearly 44 million smoke in Russia, a country of 142 million. Dmitriy Yanin, the head of a consumer protection non-governmental organization in Moscow, said there are 400,000 smoking-related deaths each year in Russia. BAT, largely locked out of the cigarette market before Bain got involved, now controls nearly a quarter of sales. BAT remains close with top government officials. And the Russians are hooked.

"Tobacco smoke is everywhere," Ireena Slavina, 39, a journalist who lives and works in Nizhny Novgorod, told The Huffington Post through a translator. "Bus drivers smoking. People at bus stops smoking. Someone near you at the beach is smoking. You are always in a cloud of smoke."

MISSION WORK

Mitt Romney can count the number of cigarettes he's smoked on one finger. Observing his Mormon faith, he does not smoke. "It's a religious thing," [he told People magazine last year](#). "I tasted a beer and tried a cigarette once, as a wayward teenager, and never did it again."

The Romney family had a history of fighting Big Tobacco. In 1971, Marion G. Romney, [a cousin of Romney's father](#), rebuked The Tobacco Institute, an industry lobby arm, for passing out a pamphlet questioning the science linking cigarettes to death.

Marion Romney was a high-ranking official at The Church of Jesus Christ of Latter-day Saints, named to the Council of Twelve Apostles in the early-'50s. As his letter showed, he was not a man to be trifled with over the dangers of smoking.

"I thought you might be interested to know that somebody does know that tobacco is not good for man," Marion Romney [wrote on Aug. 11, 1971](#). "I am enclosing, for your information, a copy of a revelation received from heaven by Joseph Smith, Jr., in which the Lord told him in verse 8, as you will see, 'And again, tobacco is not for the body, neither for the belly, and is not good for man ...' There are tens of thousands of people who know this is the word of the Lord, and I am one of them, and I bear you my witness that I know that God has said that tobacco is not good for man. And I know further that you could know it too if you would be humble enough to read this revelation in sincerity and then in the privacy of your own office or home, you would ask the Lord, in prayer, if it is true. He would manifest the truth of it unto you."

Cigarette executives [cited Romney's letter](#) in an appraisal of the pamphlet campaign and generally disparaged the results of their efforts: "Mailing copies of 'The Cigarette Controversy' to a large list of ministers (including Mormons), many of who [sic] responded with highly critical letters, might have been wasteful, useless, and counter-productive."

It wasn't just Mormon scripture preaching the evils of cigarettes. The U.S. government had issued its own scientific conclusions in multiple surgeon general reports [dating back to the early-'60s](#). Federal research had long linked smoking to cancer, and in 1988, had stated that cigarettes are [as addictive as heroin](#).

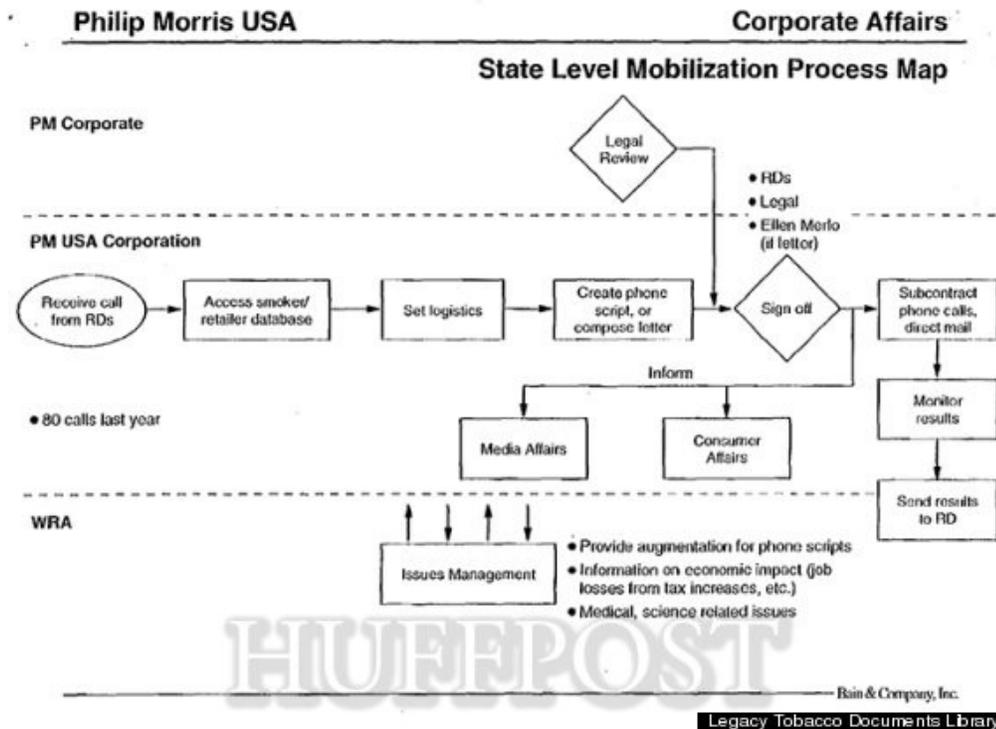
The first modern-era lawsuit against cigarette manufacturers was filed in the early-'80s by [Rose Cipollone](#), a 57-year-old dying of lung cancer. The case made national news, and presented scores of damning internal industry documents to the public. Class-action lawsuits followed.

"Internal documents showed clearly [these companies] understood the full nature of the extent of the full hazards

of cigarette smoking in terms of lung cancer and heart disease and later the addictive nature of nicotine," recalled Cipollone's attorney [Marc Edell](#). "And in fact formulating cigarettes so that they would enhance the addictive aspect of using the product. Those were pretty dramatic revelations."

At the time Romney and Bain came in, cigarette makers were becoming pariahs. "You have to know they are the world's deadliest consumer product and the deadliest invention in the history of civilization, and the world's leading cause of death," said Robert N. Proctor, professor of the history of science at Stanford University and author of a definitive account of the industry, "Golden Holocaust: Origins of the Cigarette Catastrophe and the Case for Abolition." "You have to know those things."

RIGOROUS STANDARDS



^ In his book, "Turnaround: Crisis, Leadership and the Olympic Games," Romney describes taking the reins at Bain & Co. in 1990. He writes that the company "was short of cash and short of new clients." His first step, he offers, was to fly around the world to rally what was left of the company's employees. "The key task was to commit the people, the team, to stay with the firm during the turnaround and to work in lockstep together."

"Bain & Co.'s turnaround was an incredible success," [the Romney campaign concluded](#). "In just a year, a company on the brink had returned to profitability. Mitt Romney not only saved thousands of jobs, but also set the firm on a course to be one of the largest and most successful management consulting firms in the world."

Bain's comeback would not have been complete without Big Tobacco. According to a *Boston Globe* story, Romney took over the consulting firm in October 1990. A little more than a month later, the company secured a six-month contract with the Marlboro Man's progenitor, Philip Morris, estimated to be worth \$1 million. It would be just one of many Bain deals with the cigarette giant over the years. Bain [promised to complete](#) a "strategy study" analyzing the cigarette maker's involvement in the discount market and present a "thorough understanding of cigarette consumer buying behavior"

Philip Morris was one of Bain's first new clients under Romney. The consultants were eager for the work. "We pride ourselves on meeting your rigorous standards," Bain executives pledged to the tobacco giant in its Nov. 8, 1990, [pitch letter](#). Philip Morris hired Bain that year. An [early project](#) focused on "'switching' behavior." The plan

was to convince the established smoker to either change to Philip Morris cigarettes or to keep buying the brand, said one former Bain employee who worked on the project and requested anonymity because of the company's confidentiality policies and the sensitive nature of the story. He told HuffPost that Bain focused on analyzing what made smokers pick one brand over another in convenience stores.

"This was all about established smokers -- choosing one brand of menthol over another," the former employee said.

Philip Morris actively promoted Bain's work in the tobacco giant's PowerPoint presentations, and in sales pushes to retailers. The company paid particular notice to Bain's cigarette display research. In Bains' hands, where stores placed packages of cigarettes became a science. "From industry research done by Bain & Co, the optimum number of displays for peak profitability is six," [reads one Philip Morris guide to convenience store owners](#).

A Bain-tested sale -- 50 cents off a Marlboro pack -- promised higher revenues for retailers: "Cigarette category sales increased by 25% and total store sales increased by 8%," the guide boasts.

Other Bain studies for Philip Morris included analyzing the "optimum product location" for [cigarette displays within Kroger supermarkets](#), and helping to figure potential profits to be harvested from offering a free Coke with every pack of Marlboros at [Circle K convenience stores](#).

John Fitz-Henley, a former Bain employee, told The Huffington Post he was proud of the work. But not everyone felt comfortable assisting a company with products that were increasingly being criticized and sued because of links to disease and death.

Bain consultants were allowed to opt out of the Philip Morris work if they had moral objections, recalled the other former Bain employee. "People had the option of working on the case or not," he said. "Nobody was forced to work on it. There were certain people that didn't."

The former Bain worker didn't share those objections. "There was nothing illegal," he explained. "It's a free country. People have the choice to smoke. It wasn't a moral decision. I don't eat junk food. I don't think it's good for you. I don't judge people who work for Frito-Lay. That's how I look at it. Are companies bad because they pollute the environment? Are oil companies bad because there's drilling involved?"

Whether Romney had qualms about working with Philip Morris, the former employee doesn't know. "He was a very impressive CEO," he said. "He [had] confidence, a strong vision. He was a real dynamic business leader."

Along with its sales research, in 1992, Bain had been tasked to help Philip Morris address internal corporate inefficiencies, distribution issues, and business challenges. Three years later, the fruits of that work included guides to help the cigarette maker fend off rising public sentiment against tobacco, and increased pressure from federal regulators. In one document labeled "Corporate Affairs," Bain argues that the cigarette maker needs a "coordinated, long-term approach to legal/regulatory/public opinion opportunities and challenges to maximize shareholder wealth."

Bain's advocacy amounted to an early example of corporate "astroturf" tactics that are now commonplace among groups affiliated with the Koch Brothers and the Tea Party. In the same "Corporate Affairs" [document](#), under "mobilizations," Bain consultants [encourage](#) the company "to conduct federal and local grassroots programs in support of the company's legislative and regulatory efforts."

For one such mission, Bain called on the company "to initiate and execute programs to support smokers' rights, combat regulatory moves and improve corporate image." Specifically, Bain felt Philip Morris could build support within the hospitality industry and by openly seeking to curtail access to cigarettes for young people.

In another 1995 document, Bain suggested that the company [produce](#) smokers' rights newsletters and jumpstart "state-level" lobbying work that involved phone campaigns. Consultants suggested augmenting their "phone scripts" to include the specter of job losses due to cigarette tax increases, and bringing up their own "medical, science related issues." that could "combat regulatory pressure."

Professor Cummings called Bain's sales advice "brilliant." "If you're Philip Morris, it was a very successful endeavor," he said. "They turned around a ship that was going downhill. They are a monster today."

THE GREAT HARVEST

Bain & Co. opened its doors in the early-1970s and employed [450 people by the mid-'80s](#). The edgiest thing the firm may have produced over that period was its in-house 'Bain Band,' which once produced a diss track targeting a rival firm set to the theme song from "Fame." "Bain! We're going to grow forever/And if they might think it's a lie/We'll keep on working together/And then kiss McKinsey goodbye."

Consulting work can be drudgery, advising on the game but never playing in it, living in Excel purgatory, and talking in PowerPoint after endless PowerPoint. Bain co-founder Ralph Willard thought there could be more to his firm than churning out a direct-marketing analysis for a new toothpaste.

In 1990, Willard formed Bain Link, a subsidiary aimed at generating business in those once-forbidden markets of the Soviet Union. "We had this idea -- wouldn't it be cool to be the first ones in this mysterious place?" Willard explained in an interview with The Huffington Post. "It was the idea of being a pathfinder, sort of cutting edge -- we're Bain & Co., we're great, we opened the first ever consulting service in Moscow."

Willard and his Bain crew partnered with Abel Aganbegyan, a prominent academic who was serving as Mikhail Gorbachev's top economic advisor. Aganbegyan would help supply Bain with Moscow-based researchers and networking contacts, which eventually brought Willard to the Kremlin.

The Kremlin reminded Willard of the hotel in the movie "The Shining," with its endless corridors of faded carpet and empty, rundown ballrooms -- decaying glamour hinting at a deeper, darker menace. Soviet officials wanted Willard to evaluate a joint venture from a foreign car company looking to establish manufacturing in the USSR. It was a huge step up from toothpaste.

But Willard had to pass. He'd grown up during the Cold War. "I remember thinking 'You know what, I don't feel comfortable helping these guys against a Western company. ... I'm not sure I want to be an agent of this dying Stalinist regime,'" he recalled feeling.

Willard agreed that the firm could work with Western companies seeking to invest in the Soviet Union. He remembers how depressing the early days could feel -- dreary city after dreary city after dreary city. When his driver would pick him up at the airport, the chauffeur would have to jam his car's windshield wipers in his pockets. If he left them on the car in the airport's lot, they'd be stolen.

Willard still remembers the Pan Am flights out of Moscow on his way back to the London office. "The captain would announce when we crossed the border -- 'We are now leaving Soviet airspace' -- and everyone would break out into applause," Willard said.

But Willard and Bain kept coming back. Back at company headquarters, fellow consultants were "pumped" by Willard's work, he said. The thinking was: "You know what? The Bain model works -- let's go help a country."

Willard agreed. "There was that feeling that you were potentially doing something world important," he said, adding later, "I think what we did there was noble."

In September 1991 and in early-1992, as it continued doing American marketing research for Philip Morris, Bain's consulting team [took on a more ambitious project](#) for Gallaher Limited, a tobacco wing of a conglomerate called American Brands Inc., which peddled cigarettes, bourbon and golf supplies. The company has since been broken up.

Bain was prepared for the work. In various pitches, the company wrote that its "principal business is assisting western companies to establish themselves in Russia." Ghosh was a vice president of Bain Link, working alongside Willard, [documents show](#).

As one of the top managers on the Gallaher contract, Ghosh's responsibilities included contributing to an

extensive study of the Russian smoking market. Willard said he had no problem with helping a cigarette company expand its business. "I never smoked a cigarette in my life," he said. "But I've never seen a Russian without a cigarette. It wouldn't be my idea of a client I would be very interested in myself. It was legal. ... They were replacing nasty cardboard tubes with Western cigarettes."

Bain's top analysts viewed the country as the ultimate prize for Western cigarette manufacturers: a market that had been underserved by harsh cigarettes and antiquated factories. And most importantly, Russia did not face civic watchdogging, or, as the consultants [would note](#), enforceable regulatory rules. To Bain and the tobacco industry, it was like selling American cigarettes in 1950.

Tobacco companies had the potential to move 253 billion "units" a year in Russia, but were only selling 180 billion, according to [a confidential Bain analysis from 1993](#) -- a shortfall of almost 33 percent in a nation of 150 million citizens.

But Bain did much more than market research for Gallaher. Serving as a negotiator with Russian tobacco factories and distributors, Ghosh's team took on a role typically identified in the United States with investment bank merger specialists. Ultimately, Bain hammered out terms for the purchase of three tobacco factories for Gallaher.

But in the summer of 1992, with the Russian political system in chaos, [Gallaher decided to walk away from the deal](#).

Bain didn't let that setback get in its way. Instead of retreating from Russia, Ghosh repackaged the Gallaher failure into a proposal for British American Tobacco. On Nov. 17, 1992, he dashed off [a memo](#) to BAT. He kept the subject line simple: "Cigarettes for Russia."

"We carried out extensive work for American Brands," Ghosh wrote, including a "detailed analysis of the Russian cigarette market," thorough research into "major consumer segments ... by age, sex, occupation and purchase preferences" based on "focus groups, customer interviews and detailed customer questionnaires."

A week later, BAT executive Nick Brookes [received a memo](#) indicating that an underling had met with Ghosh "to pursue the sale of our brands to him."

The memo also noted that Bain was willing to sell BAT its study on the Russian tobacco market that it had performed for Gallaher. The company followed up with a letter to Ghosh asking to purchase the complete analysis. In December, a BAT official [gushed](#) to Ghosh: "I assure you that we are very anxious to build our business with you."

Romney was an advocate for the Russian tobacco work, Ghosh said. He explained that although Romney did not delve into the specifics of his projects, he received reports on the Russian business periodically. Romney knew what Ghosh worked on and approved.

Willard left Bain in 1991, but said he stayed on as an advisor to the company's Russia contingent and helped secure the BAT deal. He recalled personally briefing Romney on the work, possibly a couple of times. He said that Romney was encouraging -- the costs to run the Moscow operations were low and the territory was all Bain's for the taking. "I certainly have the impression he was in favor of what we were doing," he explained.

The BAT contracts would be worth millions. "Bain doesn't do anything if it's not lucrative," Ghosh explained. The two companies would go on to work on a number of joint cigarette endeavors with increasingly militaristic names: Project Olga, Project Umpire, Project Battalion, and the Matrix. Bain would work in Russia, Eastern Europe, and Asia for BAT with the goal of establishing the company as the world's dominant cigarette maker. It advised the company on everything from distribution to young-adult marketing to dealing with the blowback from selling a cancer-causing product. Later [documents](#) would include such Bain advice as "support consumers' freedom of choice to smoke."

But first, the consultants had to figure out what Russians would smoke -- and how to get BAT cigarettes into their

hands.

"BAT realized the potential opportunity to expand their brand throughout Russia," Ghosh explained. "We were asked to help them."

Initially the work, Ghosh said, was "very difficult" because of cigarette shortages. It felt as chaotic and dangerous as the Wild West gold rushes. He remembered transactions all done in cash. "You basically make up the rules as you go along," Ghosh explained. If Bain bribed anyone, he said he doesn't remember.

"We started sending out a container load of BAT cigarettes with no logistics," Ghosh recalled. He later clarified that the "we" meant BAT. "And just basically selling it."

DEPENDENT ON GOVERNMENT

Just as Bain began to deepen its relationship with BAT, Romney's firm endeared itself to two other huge clients: the American and Russian governments.

USAID, an American international development agency that answers to the foreign policy directives of the State Department, [contracted with Bain in March 1993](#) "to accelerate the privatization of Russian enterprises," with a particular focus on small cities and rural manufacturing regions. Within months, Bain was a top adviser to Yeltsin's administration, with U.S. taxpayers footing the \$3.9 million bill for Bain's services.

"Bain/VASG worked to ensure that as many companies as possible were auctioned," reads an August 1994 USAID government review. Bain had already facilitated nearly a third of all of the smaller privatization deals in Russia outside of the Moscow-St. Petersburg hub, including 40 percent of all total capital involved in the transactions, according to the report.

Privatization in Russia was supposed to be a democratic exercise. Citizens would be given vouchers worth a certain stake in local businesses, which could then be traded in for cash, a stake in that actual business, or a stake in a Wall Street-style investment fund that bought and sold Russian assets. But through rigged auctions and other dubious land grabs engineered by the Russian government and its financial advisers, Russian citizens quickly found themselves with almost no stake in the post-Soviet economy, while a few politically connected elites took over nearly everything.

"The voucher program traded people's de facto property rights in their enterprises for vouchers worth a few bottles of vodka, so the enterprises could then be sold to foreigners or oligarchs," notes economist David Ellerman, who worked at the World Bank on privatization issues in Russia and Eastern Europe during the early-1990s. "Russia was like a conquered province with Bain et al. as the carpetbaggers to help divvy up the prizes."

Willard said he had left Bain before the privatization racket really took off, but he kept in touch with his former colleagues, and believed at the time that Russia's voucher system had potential to be abused. "You'd have to say that some regrettable people ended up on top," he admitted, adding that he believed it would be easy for "some operator to buy up these vouchers at a big discount and assemble enough vouchers to gain control. I remember thinking, 'Why are we doing that?'"

A dark chapter of economic history soon unfolded, in which nearly all of the superpower's assets were steered into the hands of a few local oligarchs and cutthroat Western corporations.

"Privatization was basically totally corrupt in most of Russia," Nobel Prize winning economist Joseph Stiglitz told HuffPost in an interview. Stiglitz served as chief economist at the World Bank during the final phase of Russia's privatization project, after Bain's activities in the region. "The whole thing was a criminal charade."

As the Russian government's "principal adviser" on privatization transactions, Bain was tasked with compiling the official government manual laying out the rules for bringing state resources into the marketplace.

The post-Soviet scramble was about much more than government contracts, and Bain pursued every profitable angle. In addition to overseeing [thousands of voucher privatizations](#), Bain pitched its Russian team to

multinational corporations as experts on Russian privatization, promising big profits squeezed from its connections with Russian authorities. By working both sides of the deal, Bain epitomized the corrupt nature of Russia's privatization swindle -- taking government money to secure an efficient public offering, and then locking in below-market terms from that deal for a corporate client. The USAID performance review and dozens of confidential memos between Bain and BAT reveal that while Bain was under contract to push privatization in the Russian region of Saratov, Bain was also advising BAT on purchasing a Saratov tobacco factory.

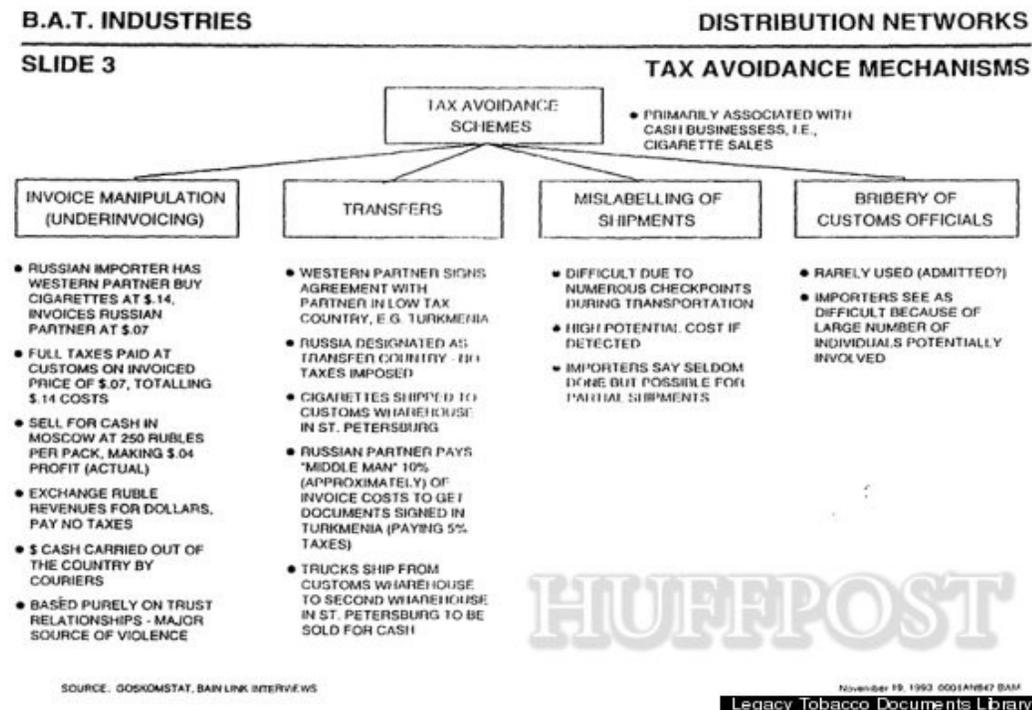
"I have never come across an instance of 1990s privatization in Russia without deep conflicts of interest," said Princeton history professor Stephen Kotkin. "Theft was colossal, but there was no one to prevent that theft, just people -- including some foreigners, but mostly domestic types -- to abet the theft."

USAID told HuffPost it could not determine whether Bain violated any American conflict-of-interest rules by working simultaneously with a private corporation and the Russian government. The agency said the answer would depend on whether Bain informed USAID about its work with BAT. Bain and BAT declined to comment on the matter.

Much of the privatization rush was simple financial chicanery. In the absence of any functional financial system, many citizens saw their shares of local businesses stolen by con-men. Others ended up with shares of long-outdated Soviet manufacturing operations, which proved worthless. Few Soviet-era factories survived in the face of international competition.

But some resources held real economic value, particularly oil, gas, precious metals, mining -- and tobacco. There may have been no market for Soviet clothes or cars, but tobacco was still a cash crop, and cigarette factories -- with the right marketing behind the right brand -- could be a goldmine for whoever ended up controlling them. The most valuable state assets, like oil, fell into the hands of oligarchs, giving them, for a time, relatively unchecked domestic political power. Tobacco was auctioned off to Western multinationals.

BOOTS ON THE GROUND



Legacy Tobacco Documents Library

While performing its duties for the U.S. and Russian governments, Romney's Bain & Co. continued to negotiate with BAT throughout 1993. In February of that year, Bain arranged a meeting between BAT executives and Aganbegyan, the Gorbachev advisor.

Bain boasted to BAT that year that the "Russian government has named Bain Link its 'principal adviser' in its

privatization efforts." Bain [wrote](#) that the firm was "proud of our experience and track record assisting the Russian government in its privatization program."

"Based on our work with the Russian government and our knowledge of the regions," Bain promised BAT that its consultants could help the tobacco giant pick the right locations and right factories to do business. Bain made it clear that its relationship with Russian officials would be of great benefit to BAT on the retail end as well. After all, Bain [noted](#) they were working with the Russian government to assist in retail business development.

BAT recognized Bain's unique position. In [a September 1993 memo](#), BAT's Edouard Etedgui notes that Bain is "somewhat different to our other advisers," because "approximately half" of the Bain staff works for the Russian government, administering the very auctions BAT wanted to exploit. Bain also noted that it was in "close contact" with Anatoli Chubais and one of Chubais' deputies, Dimitri Vasiliev. Chubais was, perhaps, the most powerful government figure overseeing the Russian privatizations, serving as Boris Yeltsin's privatization czar during the early-1990s.

Bain mapped out for BAT the important regions worthy of the cigarette maker's investment. They [answered questions](#) like "Is the governor a Yeltsin appointee?" "Who are the key players on the local political scene? Are local officials interested in foreign investment? Willing to cooperate/assist?"

Bain produced statistics on cigarette popularity in various regions, generating demographic breakdowns of smokers by gender, and the average number of cigarettes smoked per day. In [another report](#) from August 1993, Romney's experts developed a database for BAT of hundreds of distributors and wholesalers throughout Russia listing their names, addresses, phone and fax numbers.

"They are almost like from the front lines of a battle," explained [Louis Kyriakouides](#), an associate professor at the University of Southern Mississippi and tobacco expert who has testified against the industry in court and who reviewed the Bain-BAT documents. "Bain is acting as a kind of boots on the ground intermediary. ... It's almost like a race -- first person in wins the market-share."

Bain made sure to show BAT that it was loyal to the cause. Documents show that Bain conducted opposition research on BAT's rivals, detailing the number of Philip Morris and R.J. Reynolds employees based in Russia and breaking them out by ethnicity. Bain also reported a total of four Philip Morris Volvos congesting Moscow's busy streets.

In another 1993 study, Bain noted the size of RJR's Moscow and St. Petersburg office space. Bain also produced an organizational chart for RJR's St. Petersburg office and [produced](#) a list of their Moscow distributors and contact information.

Keeping BAT as a client was critical to maintaining Bain's prestigious image and keeping the struggling consultancy out of bankruptcy. The same month that Bain began working under its USAID contract, Romney was [still negotiating a debt reduction package](#) between Bain & Co. and the FDIC, a government agency to which Bain owed money, according to documents obtained by *Rolling Stone*. In Russia, its consultants were highlighting all the ways BAT could theoretically avoid paying taxes.

[Bain reported to BAT](#) that nearly everyone in the cigarette supply chain was resorting to convoluted tax tricks. The black market was elaborate and widespread enough that Bain presented it as a flow-chart to BAT, titled, "Tax Avoidance Mechanisms," a one-stop guide to dodging Russian taxes. It cited the common practice of "invoice manipulation," which relied on "cash carried out of the country by couriers" a process that is a "major source of violence." It also discusses the "bribery of customs officials."

A subsequent Bain briefing to BAT suggested the consultants knew the business was rife with corruption. Retailers, according to Bain experts, were often "controlled by a 'Mafia' type organization, with regionally protected territories." And Bain understood that BAT was doing a great deal of its business in Russia by illegally smuggling cigarettes into the country, an awareness first detailed by Anna Gilmore, a professor of public health at the University of Bath in the U.K., in [a 2004 research paper](#). "The [distribution] structure in place could serve as the skeleton for backward integration into [a] fully integrated distribution network when and if Russia becomes a duty-paid market," Bain wrote in its report.

While his consultants were continuing to untangle Russia's off-the-books business practices, Romney began to prepare for a possible future in politics. He formally switched his party identification from independent to Republican in [October 1993](#). But he still appeared to be working for Bain & Co.

That same month, *The Boston Herald* identified Romney as the "chairman and former CEO of Bain & Co." On Nov. 15, *Roll Call* previewed the coming Massachusetts Senate race, saying that "Romney, 46, runs the international management consulting firm Bain & Company."

Moscow had descended into bloody chaos that fall, with thousands of protesters marching on the capital to object to Yeltsin's economic plans. Yeltsin attempted to dissolve the Russian parliament, which in turn attempted to depose Yeltsin. The crisis was not settled until the Russian army decided to back Yeltsin, meeting the protesting citizenry with gunfire.

Yeltsin held onto power, maintaining Bain's connections with the Russian federal regime. On Nov. 17, 1993, Bain pitched a major project to BAT. Promising "access to key local and federal decisionmakers," extensive experience with "privatisation" and "the tobacco industry in Russia," Bain secured a contract worth \$487,500 -- plus expenses -- for three months of work. The task? Securing the sale of a Russian tobacco factory to BAT.

Bain had been doing USAID-funded work for Yeltsin in several regions of Russia, including the area surrounding the southwestern city of Saratov. Within days of securing its new contract with BAT, Bain submitted an exhaustive analysis of the Russian tobacco market to BAT insiders, zeroing in on Saratov as an ideal locale for BAT's factory purchase. Bain remained under contract with USAID and the Russian government for ensuring swift, democratic and fair privatization of local resources until the summer of 1994.

The consultants interviewed workers and managers at tobacco factories, trying to conjure a bargain price for their ownership stakes. They called the effort: "Project Olga." By the end of December 1993, Bain sent back to BAT notes from their factory meetings including a discussion with the factory's chief engineer who seemed ready to deal. "He agreed that the period 'of vodka and smiles' was over and that the hard part had begun," the consultants [wrote](#).

PAID IN CASH

BAT never could have pulled off its factory deal without Bain. The consultants negotiated purchase prices with individual workers and shady investment funds, and orchestrated complex, legally questionable transactions. Bain employees personally delivered cash to the factory owners.

According to an [internal fax at BAT](#), Bain worked out a \$457,000 deal with a Russian hedge fund called Oil & Diamond for its 13 percent stake in the Saratov factory -- less than the amount BAT paid Bain for its consulting work on the deal.

But there was a hitch. A handful of investment funds also held key stakes in the factory. BAT wanted to buy those shares, but didn't want to announce its identity, fearing the fund managers would jack up the price. So BAT went to Bain. It was these kinds of problems that the global consulting firm was paid sizeable fees to solve. The answer this time: play a financial shell game.

Bain employee Todd Berman provided payment instructions to BAT [in a March 11, 1994, memo](#), and on March 16, BAT summarized the plan in an internal fax.

"Tactically, it has been agreed that, to avoid bidding up the price, BAT should not be seen as the purchaser or registered owner in the [Saratov factory] share register until a majority share holding has been secured," [the fax reads](#). "As a result shares will be acquired using Bain." Even that plan had problems, the memo notes. Bain would be required to register as a broker if it bought shares on behalf of a corporate client, and Bain did not want to be subjected to Russian financial regulations. More importantly, the deal could create tax trouble for Bain that the company would rather avoid, the memo says.

"Entries in the accounts for a purchase and sale at no profit, despite its legitimacy, would be targetted [sic] by

the tax authorities and could lead to an extended investigation on all company transactions," reads the fax.

Bain and BAT agreed to an elaborate international transaction, in which the tobacco giant would wire American dollars from its account at Chase Manhattan Bank in the U.S. into the account that the Russian firm Dialogue Bank held in Moscow.

Instead of naming Bain directly as the recipient, the transfer would be directed to the [personal accounts of Bain employee Todd Berman and BAT lawyer Carol Patterson](#), who would, in turn, forward the money along, keeping the corporate entities of Bain and BAT out of the transaction.

"The wire transfer should be made to favor of myself and Carol," [instructed Berman](#). BAT agreed.

"The transfer details will not name BAT as transferor to ensure confidentiality," the March fax reads. "The Chase Manhattan payment instructions will not specify the ultimate recipient of the funds."

In a country with a more robust rule of law, this kind of activity is illegal. In the pell mell Russian market, the legal consequences were murky.

"It does appear Bain engaged in illegal, or at least highly unethical, actions," noted David Katz, an economics professor at the University of Massachusetts at Amherst, when shown the relevant documents by HuffPost. He said the Bain-BAT transaction fits a pattern of illegal activity in Russia at the time. "Sending a payment for Bain's work to an individual employee was a typical technique" for Western companies engaging in "tax evasion, money laundering, and/or to hide its involvement in a shady deal and its connections with very unsavory characters."

The complicated shell transaction used to buy the Russian factory soon went through. But in June, Berman wrote [an irritated memo](#) to BAT's John Paterson, justifying expenses incurred by Bain's team on the factory deal, noting Bain's unusual role setting up transactions.

"We handled many aspects of the project that were not part of the original work plan that would have resulted in significant additional expense to BAT had they been outsourced," Berman wrote. "For example, funds transfers were managed by us that in fact should have been managed by your bankers, Citibank."

A [separate June 22 memo](#) details massive cash holdings of Russian rubles that Bain has been taking care of for BAT in order to buyout specific workers and pensioners who owned stakes in the Saratov factory.

A month later, everyone was happy. In an Aug. 1 BAT memo, Paterson urged BAT executive Brookes to pay Bain a "success fee" for the project, highlighting, in particular, Bain's influence with Russian authorities.

"The relationships Sergei [a Bain employee] developed with the anti-monopoly authorities and the Saratov Property Fund and Tender Commission substantially assisted in a quick anti-monopoly clearance," the memo reads. It doesn't say what was done to forge such a fast bond with regulators.

The memo also cites Bain's willingness to continue working with BAT on other projects. Bain would go on to assist BAT in the tobacco markets for Turkey, Uzbekistan, Kyrgyzstan and Kazakhstan, along with additional Russian projects.

There was no shortage of cash around this dealmaking. [A letter from BAT to its own bank, Citibank](#), dated April 1994, is characteristic of the period, requesting "prepared cash packets" to buy up shares of a factory from small owners identified by Bain. It also requests "a packet of ruble cash in the amount of RUR 11,000,000 ... to be held in reserve in the event that a cash counting discrepancy arises."

A NECKLACE IN EVERY PACK



By 1995, Romney was out of Bain & Co., but the gears set in motion under his leadership continued to turn. The cigarette business had become part of Bain's culture. No one had a problem with the work. "I can tell you that there was absolutely no worry about the health concerns at all," recalled a former employee who contributed to BAT projects. "The concern was only about making money."

Bain appreciated the rewards enough to send BAT the occasional mash note. "It was a real pleasure and a terrific experience both personally and professionally," Berman, the Bain dealmaker, [wrote to BAT](#) in June 1994. "Despite being quite a difficult project at times, it was nevertheless extraordinarily interesting, challenging and rewarding. We hope BAT is as pleased with the outcome as we are at Bain." In October 1994, BAT finalized another Bain-assisted Russian tobacco factory purchase, [vowing to boost production by over 40 percent](#). The factory formed the basis for BAT's Java brand, which has since become the top cigarette brand in Russia, [according to Forbes](#).

Bain's Russian deals culminated with some of the firm's most dangerous and effective projects — marketing cigarettes to young adults and women.

"The profit numbers are on an annual basis, and do not yet account for the lifetime value of young smokers," one Bain consultant wrote in a November 1995 [memo](#) on the young adult market. "The 'get them early, keep them for life argument' is critical to the whole debate ... and we will be doing further analysis on this."

Documents show that Bain consultants helped organize and perform market research on what the tobacco industry called Young Adult Urban Smokers (YAUS) and "Lights" which targeted potential female smokers. [Meeting notes](#) suggest that Bain and BAT were looking for a comprehensive, global approach to marketing cigarettes by studying the role of menthol in light cigarettes in Malaysia, to milds in Latin America, to mid-priced brands ["amongst young in France."](#)

There also was the idea of studying the popularity of Oxy acne treatment for clues about how to increase the appeal of cigarettes to young consumers. According to [notes](#) from a January 1996 meeting, a Bain consultant reported: "There was a high level of interest in drawing parallels with other consumer goods, industries. Examples include beer, coffee, Oxy, Coke ... Nike/Reebok vs Puma/Addidas. Also how do you keep fresh and trendy while maintaining brand equity?"

In April 1996, Bain contributed findings to a [BAT study](#) the company called "The Matrix YAUS Factbase." With Bain data spliced into charts on contestable profits by country, BAT thought the young adult market offered a huge opportunity for growth. The company wrote "the importance of YAUS in emerging markets will rise as loyalty and affluence increases."

In the former Soviet Union, BAT could roll back the clock and deploy the same gimmicks as the U.S. tobacco industry before the era of class-action lawsuits and federal regulation. "I think [Russians] were easy targets," Proctor explained. "I'm sure the level of awareness, the knowledge of the hazards was nowhere comparable to the U.S. ... You get this robber capitalism going in and exploiting any naiveté that was there."

Jem Maidment, the BAT spokesman, said the company's marketing campaigns target appropriate age groups. "In regard to the marketing of our products, we market to adults -- men and women who are old enough to make an informed choice," he wrote in an emailed statement. "We didn't and do not market to the under-age."

In Russia today, BAT sells cigarette packs accompanied with free costume jewelry. They're called Vogue. They can't churn them out fast enough.

The effect of BAT and other multinationals on Russian public health has been devastating. A [late-'90s survey](#) of 15 years in Russia found that 24 percent of males and 22 percent of females smoked. The numbers keep rising. A 1999 [Global Youth Tobacco Survey](#) in Moscow found that nearly 40 percent and 30 percent of Russian boys and girls from grade 7 to grade 10 are smoking. According to a 2009 Global Adult Tobacco Survey, the smoking rate among Russian women ages 19 to 24 is now among the highest in the world -- 37.9 percent.

Russian teens could not avoid the cigarette industry if they tried. In Russia, tobacco companies manufacture certain cigarette brands to look like candy. Some offer peach and bubblegum flavors. "They are everywhere," explained Maria Skatova, press secretary of the Russian Coalition for Tobacco Control.

Cigarette ads appear in glossy magazines, in movie theaters. Cigarette brands are advertised on backpacks. Companies run sales promotions -- for example, if you buy three packs, you could win an iPad. "I noticed a Marlboro ad in a hospital for children," Skatova said.

Ireena Slavina, the reporter from the town of Nizhny Novgorod, said her own son started smoking when he was about 12. His brand was Pall Mall, a BAT product. "I felt pain at the moment when I found my son is a smoker," she said. Last week, her son, now 20 years old, told his mom he has quit.

The consequences of smoking had been felt by her family. Slavina's father-in-law died from smoking-related causes. She said she pressed her son about the health consequences and has become an anti-smoking activist.

"It's our national problem," Skatova said. "It's happened in '90s and beginning of this age when international companies came to Russia. They promoted smoking as something trendy, glamorous." That was something that appealed to Victoria Kerskaey, now 20, when she started smoking Vogue at age 12.

"When I bought pack of Vogue I dreamed, 'Oh it's Vogue, it's not like ordinary cigarette,'" she said from Moscow. "It's brand, it's fashion, it's style of life. Vogue you can be like magazine *Vogue*."

"When I was 12, there was a lot of advertisements," Kerskaey added. "If you smoke you are cute." Kerskaey said she has no immediate plans to quit her Vogue Blues, which is good news for BAT. "I don't have any problem with it," she said. "I don't want to give up."

2012, Oct 16 **The Amazing Story of What Happened in Libya**

<http://www.theatlantic.com/politics/archive/2012/10/the-amazing-story-of-what-happened-in-libya/263597/>

By Garance Franke-Ruta

Before you watch the foreign-policy portion of the presidential debate Tuesday, you must read the State Department's riveting tale of heroism in Benghazi.

The Benghazi consulate after being set on fire in a photo dated September 12. (Reuters)

Secretary of State Hillary Clinton on Monday said the first line-of-duty death of a U.S. ambassador since the Carter Administration was on her. "I take responsibility," Clinton [told CNN's Elise Labott](#) during a brief trip to Lima, Peru. "I'm in charge of the State Department's 60,000-plus people all over the world, 275 posts. The president and the vice president wouldn't be knowledgeable about specific decisions that are made by security professionals. They're the ones who weigh all of the threats and the risks and the needs and make a considered decision."

"What I want to avoid is some kind of political gotcha or blame game," she said, adding: "I know that we're very close to an election."

While Republicans continue to charge administration cover-up and denial, the State Department's moves have repeatedly undermined both charges. Not only has Clinton taken responsibility for what happened on her watch, but senior State Department officials a week ago laid out for reporters in extraordinary detail what went down in Benghazi on the night of September 11 and morning of September 12. [Posted online late last week](#), the on-background briefing makes clear that it might not even be adequate to call the assault on the U.S. consulate in Eastern Libya an act of terrorism -- the compound and a nearby American annex, according to State, came under sustained military attack by a non-governmental armed force.

But no one died in their sleep. Contained within the briefing is an amazing tale of heroism as a vastly outnumbered group of American diplomatic-security personnel and rapid-reaction forces fought back against attackers of uncertain affiliation and sought repeatedly to locate the American ambassador in a burning, smoke-filled building before retreating to a second location. There's even an armored-vehicle escape, under fire, on two flat tires, going the wrong way in traffic. One could say the account is self-serving given the extent to which Ambassador Chris Stevens's death has become a political football, [despite his father's pleading](#) that "it would really be abhorrent to make this into a campaign issue." But this isn't how you put out a self-serving account. And I have read no story so far talking about the heroism of the American forces, including of the two former Navy SEALs who gave their lives in combat to protect an American outpost. There are real and important diplomatic-security strategy questions to answer going forward (such as why there's been no mention so far of emergency filter or other masks in the consulate's safe haven of the sort homeland-security officials once [recommended for all Americans at home](#)). But that doesn't negate that what Clinton said is right: The ambassador and the others on the ground in Benghazi signed up for a dangerous job, and we should all be so lucky as to have the courage they showed on September 11 and 12.

"Chris Stevens understood that diplomats must operate in many places where soldiers do not or cannot, where there are no other boots on the ground and security is far from guaranteed," [Clinton said Friday](#) in a speech at the "Maghreb in Transition" conference at the Center for Strategic and International Studies. "And like so many of our brave colleagues and those who served in our armed forces as well, he volunteered for his assignments."

Before you watch the debate tonight, read the State Department account of what happened in Libya. And then weigh the words you hear against this full account.

SENIOR STATE DEPARTMENT OFFICIAL NUMBER ONE: All right. Let me proceed. I'm going to give you as much information as possible about the events of that night, but I am going to

start with a scene-setter.

So let me set the stage. On April 5th, 2011, a small Department of State team headed by Chris Stevens arrives by chartered boat in Benghazi. They set up shop in a hotel. This is at a time when Benghazi was liberated, Qadhafi was still in power in Tripoli, the war was going on, our Ambassador had been expelled from Tripoli by Qadhafi, the Embassy staff had been evacuated because it was unsafe. So Chris Stevens coming back into Benghazi -- coming into Benghazi on April 5th, 2011, is the only U.S. Government people in Libya at this time.

They set up shop in a hotel, as I mentioned. A few weeks later in June, a bomb explodes in the parking lot in front of the hotel. The group in Benghazi makes a decision to move to a new location. They move to a couple of places, and by August they settle on a large compound which is where the actual activity on 9/11 took place. So they're in a large compound, where they remain.

The compound is roughly 300 yards long -- that's three football fields long -- and a hundred yards wide. We need that much room to provide the best possible setback against car bombs. Over the next few months, physical security at the compound is strengthened. The outer wall is upgraded, its height is increased to nine feet. It is topped by three feet of barbed wire and concertina wire all around the huge property. External lighting is increased. Jersey barriers, which are big concrete blocks, are installed outside and inside the gate. Steel drop bars are added at the gates to control vehicle access and to provide some anti-ram protection. The buildings on the compound itself were strengthened.

The compound has four buildings on it, and you guys are going to have to get used to this, because I refer them to -- as Building C, Building B, Tactical Operations Center, and a barracks. So Building C is a building that is essentially a large residence. It has numerous bedrooms and it is -- it has a safe haven installed in it, and I'll talk more about that in a minute. Building C ultimately is the building that the Ambassador was in, so keep that in your heads.

Building B is another residence on the compound. It has bedrooms and it has a cantina. That's where the folks dine. The Tactical Operations Center, which is just across the way from Building B, has offices and a bedroom. That's where the security officers had their main setup, that's where the security cameras are, a lot of the phones -- it's basically their operations center. So I'll call it the TOC from now on.

And then there was a barracks. The barracks is a small house by the front gate, the main gate of the compound. In that barracks is a Libyan security force which I'll describe in a minute. Security on the compound consists of five Diplomatic Security special agents and four members of the Libyan Government security force, which I will henceforth call the 17th February Brigade. It is a militia, a friendly militia, which has basically been deputized by the Libyan Government to serve as our security, our host government security. In addition to all those, there is an additional security force at another U.S. compound two kilometers away. It serves as a rapid reaction force, a quick reaction security team -- a quick reaction security team, okay?

Now we're on the day of, and before I go into this discussion of the day of the events of 9/11, I'm going to be -- I want to be clear to you all. I am giving you this -- you my best shot on this one. I am giving you what I know. I am giving it to you in as much granularity as I possibly can. This is still, however, under investigation. There are other facts to be known, but I think I'm going to be able to give you quite a lot, as far as I know it. I have talked to the -- to almost all the agents that were involved, as well as other people.

Okay. The Ambassador has arrived in Benghazi on the 10th of September. He does meetings both on the compound and off the compound on that day, spends the night. The next day is 9/11. He has all his -- because it is 9/11, out of prudence, he has all his meetings on the compound. He receives a succession of visitors during the day.

About 7:30 in the evening, he has his last meeting. It is with a Turkish diplomat. And at -- when the meeting is over, at 8:30 -- he has all these meetings, by the way, in what I call Building C -- when the meeting is over, he escorts the Turkish diplomat to the main gate. There is an agent there with them. They say goodbye. They're out in a street in front of the compound. Everything is calm at 8:30 p.m. There's nothing unusual. There has been nothing unusual during the day at all outside.

After he sees the Turkish diplomat off, the Ambassador returns to Building C, where the information management officer -- his name is Sean Smith, and who is one of the victims -- the information management officer -- I'll just call him Sean from now on, on this call -- and four other -- four Diplomatic Security agents are all at Building C. One Diplomatic Security agent is in the TOC, the Tactical Operations Center. All of these agents have their side arms.

A few minutes later -- we're talking about 9 o'clock at night -- the Ambassador retires to his room, the others are still at Building C, and the one agent in the TOC. At 9:40 p.m., the agent in the TOC and the agents in Building C hear loud noises coming from the front gate. They also hear gunfire and an explosion. The agent in the TOC looks at his cameras -- these are cameras that have pictures of the perimeter -- and the camera on the main gate reveals a large number of people -- a large number of men, armed men, flowing into the compound. One special agent immediately goes to get the Ambassador in his bedroom and gets Sean, and the three of them enter the safe haven inside the building.

And I should break for a second and describe what a safe haven is. A safe haven is a fortified area within a building. This particular safe haven has a very heavy metal grill on it with several locks on it. It essentially divides the one -- the single floor of that building in half, and half the floor is the safe haven, the bedroom half. Also in the safe haven is a central sort of closet area where people can take refuge where there are no windows around. In that safe haven are medical supplies, water, and such things. All the windows to that area of the building have all been grilled. A couple of them have grills that can be open from the inside so people inside can get out, but they can't be -- obviously can't be opened from the outside.

The agent with the Ambassador in the safe haven has -- in addition to his side arm, has his long gun, or I should say -- it's an M4 submachine gun, standard issue. The other agents who have heard the noise in the -- at the front gate run to Building B or the TOC -- they run to both, two of them to Building B, one to the TOC -- to get their long guns and other kit. By kit, I mean body armor, a helmet, additional munitions, that sort of thing.

They turn around immediately and head back -- or the two of them, from Building B, turn around immediately with their kit and head back to Villa C, where the Ambassador and his colleagues are. They encounter a large group of armed men between them and Building C. I should say that the agent in Building C with the Ambassador has radioed that they are all in the safe haven and are fine. The agents that encounter the armed group make a tactical decision to turn around and go back to their Building B and barricade themselves in there. So we have people in three locations right now.

And I neglected to mention -- I should have mentioned from the top that the attackers, when they came through the gate, immediately torched the barracks. It is aflame, the barracks that was

occupied by the 17th February Brigade armed host country security team. I should also have mentioned that at the very first moment when the agent in the TOC seized the people flowing through the gate, he immediately hits an alarm, and so there is a loud alarm. He gets on the public address system as well, yelling, "Attack, attack." Having said that, the agents -- the other agents had heard the noise and were already reacting.

Okay. So we have agents in Building C -- or an agent in Building C with the Ambassador and Sean, we have two agents in Building B, and we have two agents in the TOC. All -- Building C is -- attackers penetrate in Building C. They walk around inside the building into a living area, not the safe haven area. The building is dark. They look through the grill, they see nothing. They try the grill, the locks on the grill; they can't get through. The agent is, in fact, watching them from the darkness. He has his long gun trained on them and he is ready to shoot if they come any further. They do not go any further.

They have jerry cans. They have jerry cans full of diesel fuel that they've picked up at the entrance when they torched the barracks. They have sprinkled the diesel fuel around. They light the furniture in the living room -- this big, puffy, Middle Eastern furniture. They light it all on fire, and they have also lit part of the exterior of the building on fire. At the same time, there are other attackers that have penetrated Building B. The two agents in Building B are barricaded in an inner room there. The attackers circulate in Building B but do not get to the agents and eventually leave.

A third group of attackers tried to break into the TOC. They pound away at the door, they throw themselves at the door, they kick the door, they really treat it pretty rough; they are unable to get in, and they withdraw. Back in Building C, where the Ambassador is, the building is rapidly filling with smoke. The attackers have exited. The smoke is extremely thick. It's diesel smoke, and also, obviously, smoke from -- fumes from the furniture that's burning. And the building inside is getting more and more black. The Ambassador and the two others make a decision that it's getting -- it's starting to get tough to breathe in there, and so they move to another part of the safe haven, a bathroom that has a window. They open the window. The window is, of course, grilled. They open the window trying to get some air in. That doesn't help. The building is still very thick in smoke.

And I am sitting about three feet away from Senior Official Number Two, and the agent I talked to said he could not see that far away in the smoke and the darkness. So they're in the bathroom and they're now on the floor of the bathroom because they're starting to hurt for air. They are breathing in the bottom two feet or so of the room, and even that is becoming difficult.

So they make a decision that they're going to have to leave the safe haven. They decide that they're going to go out through an adjacent bedroom which has one of the window grills that will open. The agent leads the two others into a hallway in that bedroom. He opens the grill. He's going first because that is standard procedure. There is firing going on outside. I should have mentioned that during all of this, all of these events that I've been describing, there is considerable firing going on outside. There are tracer bullets. There is smoke. There is -- there are explosions. I can't tell you that they were RPGs, but I think they were RPGs. So there's a lot of action going on, and there's dozens of armed men on the -- there are dozens of armed men on the compound.

Okay. We've got the agent. He's opening the -- he is suffering severely from smoke inhalation at this point. He can barely breathe. He can barely see. He's got the grill open and he flops out of the window onto a little patio that's been enclosed by sandbags. He determines that he's under fire, but he also looks back and sees he doesn't have his two companions. He goes back in to get them. He can't find them. He goes in and out several times before smoke overcomes him completely, and he

has to stagger up a small ladder to the roof of the building and collapse. He collapses.

At that point, he radios the other agents. Again, the other agents are barricaded in Building C and -- Building B, and the TOC. He radios the other agents that he's got a problem. He is very difficult to understand. He can barely speak.

The other agents, at this time, can see that there is some smoke, or at least the agents in the TOC -- this is the first they become aware that Building C is on fire. They don't have direct line of sight. They're seeing smoke and now they've heard from the agent. So they make a determination to go to Building C to try to find their colleagues.

The agent in the TOC, who is in full gear, opens the door, throws a smoke grenade, which lands between the two buildings, to obscure what he is doing, and he moves to Building B, enters Building B. He un-barricades the two agents that are in there, and the three of them emerge and head for Building C. There are, however, plenty of bad guys and plenty of firing still on the compound, and they decide that the safest way for them to move is to go into an armored vehicle, which is parked right there. They get into the armored vehicle and they drive to Building C.

They drive to the part of the building where the agent had emerged. He's on the roof. They make contact with the agent. Two of them set up as best a perimeter as they can, and the third one, third agent, goes into the building. This goes on for many minutes. Goes into the building, into the choking smoke. When that agent can't proceed, another agent goes in, and so on. And they take turns going into the building on their hands and knees, feeling their way through the building to try to find their two colleagues. They find Sean. They pull him out of the building. He is deceased. They are unable to find the Ambassador.

At this point, the special security team, the quick reaction security team from the other compound, arrive on this compound. They came from what we call the annex. With them -- there are six of them -- with them are about 16 members of the Libyan February 17th Brigade, the same militia that was -- whose -- some members of which were on our compound to begin with in the barracks.

As those guys attempt to secure a perimeter around Building C, they also move to the TOC, where one agent has been manning the phone. I neglected to mention from the top that that agent from the top of this incident, or the very beginning of this incident, has been on the phone. He had called the quick reaction security team, he had called the Libyan authorities, he had called the Embassy in Tripoli, and he had called Washington. He had them all going to ask for help. And he remained in the TOC.

So at this point in the evening, the members of the quick reaction team, some parts of it, go to the TOC with the Libyan 17th Brigade -- 17th February Brigade. They get him out of the TOC. He moves with them to join their colleagues outside of Building C. All the agents at this point are suffering from smoke inhalation. The agent that had been in the building originally with the Ambassador is very, very severely impacted, the others somewhat less so, but they can't go back in. The remaining agent, the one that had come from the TOC, freshest set of lungs, goes into the building himself, though he is advised not to. He goes into the building himself, as do some members of the quick reaction security team.

The agent makes a couple of attempts, cannot proceed. He's back outside of the building. He takes his shirt off. There's a swimming pool nearby. He dips his shirt in the swimming pool and wraps it around his head, goes in one last time. Still can't find the Ambassador. Nobody is able to find the

Ambassador.

At this point, the quick reaction security team and the Libyans, especially the Libyan forces, are saying, "We cannot stay here. It's time to leave. We've got to leave. We can't hold the perimeter." So at that point, they make the decision to evacuate the compound and to head for the annex. The annex is about two kilometers away. My agents pile into an armored vehicle with the body of Sean, and they exit the main gate.

Here it's a little harder to understand because I don't have a diagram that you can show -- that I can show you. But in a nutshell, they take fire almost as soon as they emerge from the compound. They go a couple of -- they go in one direction toward the annex. They don't like what they're seeing ahead of them. There are crowds. There are groups of men. They turn around and go the other direction. They don't like what they're seeing in that direction either. They make another u-turn. They're going at a steady pace. There is traffic in the roads around there. This is in Benghazi, after all. Now, they're going at a steady pace and they're trying not to attract too much attention, so they're going maybe 15 miles an hour down the street.

They come up to a knot of men in an adjacent compound, and one of the men signals them to turn into that compound. They agents at that point smell a rat, and they step on it. They have taken some fire already. At this point, they take very heavy fire as they go by this group of men. They take direct fire from AK-47s from about two feet away. The men also throw hand grenades or gelignite bombs under -- at the vehicle and under it. At this point, the armored vehicle is extremely heavily impacted, but it's still holding. There are two flat tires, but they're still rolling. And they continue far down the block toward the crowds and far down several blocks to the crowd -- to another crowd where this road t-bones into a main road. There is a crowd there. They pass through the crowd and on -- turn right onto this main road. This main road is completely choked with traffic, enormous traffic jam typical for, I think, that time of night in that part of town. There are shops along the road there and so on.

Rather than get stuck in the traffic, the agents careen their car over the median -- there is a median, a grassy median -- and into the opposing traffic, and they go counter-flow until they emerge into a more lightly trafficked area and ultimately make their way to the annex.

Once at the annex, the annex has its own security -- a security force there. There are people at the annex. The guys in the car join the defense at the annex. They take up firing positions on the roof -- some of them do -- and other firing positions around the annex. The annex is, at this time, also taking fire and does take fire intermittently, on and off, for the next several hours. The fire consists of AK-47s but also RPGs, and it's, at times, quite intense.

As the night goes on, a team of reinforcements from Embassy Tripoli arrives by chartered aircraft at Benghazi airport and makes its way to the compound -- to the annex, I should say. And I should have mentioned that the quick reaction -- the quick reaction security team that was at the compound has also, in addition to my five agents, has also returned to the annex safely. The reinforcements from Tripoli are at the compound -- at the annex. They take up their positions. And somewhere around 5:45 in the morning -- sorry, somewhere around 4 o'clock in the morning -- I have my timeline wrong -- somewhere around 4 o'clock in the morning the annex takes mortar fire. It is precise and some of the mortar fire lands on the roof of the annex. It immediately killed two security personnel that are there, severely wounds one of the agents that's come from the compound.

At that point, a decision is made at the annex that they are going to have to evacuate the whole

enterprise. And the next hours are spent, one, securing the annex, and then two, moving in a significant and large convoy of vehicles everybody to the airport, where they are evacuated on two flights.

So that's the end of my tick-tock.

Whatever was said by senior administration officials in the immediate aftermath of the attack, a few things are clear now. There is no cover-up. There are lingering questions about security strategy. And there is one hell of an amazing tale of heroism and bravery on the part of the diplomatic security personnel and rapid reaction forces on the ground during the attack.

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