

Jones cult's fortune is \$18 million--and climbing

Tribune team analyzes Temple empire

This article was prepared from reports of Tribune correspondents Michael Coakley in San Francisco, Ronald Yates in Los Angeles, Timothy McNulty and Michael Sneed in Guyana, and James Coates in Washington. It was written by Michael Coakley.

most immediately after the stunning news of the mass murder-suicide deaths of Jones and 912 followers at Jonestown on Nov. 18.

Officials remain optimistic that exploring the trail of money will lead to valuable evidence concerning the conspiracy to kill Rep. Leo Ryan (D., Cal.). Ryan, who had gone to Guyana to investigate reports of horrors at Jonestown, was murdered along with three members of his party and a Jones cult "defector" in an airstrip ambush shortly before the sect's death ritual.

Investigations into Ryan's death are being conducted both by the Guyanese government and by three separate agencies of the U.S. government, including the Federal Bureau of Investigation.

CALIFORNIA AUTHORITIES are interested in the financial aspects of the case because of ample evidence that indicates the majority of the temple's once-vast real estate holdings here were obtained through extortion — that is, by Jones and his top aides threatening cult members with bodily harm or death if they did not surrender their homes and other personal property to the church.

Dozens of temple defectors have come forward with such stories. Among those accused are at least two of Jones' former lieutenants who are still alive and currently in this country. "I think it's quite likely you're going to see some indictments as a result of these complaints," said one investigator.

Interviews by The Tribune with law enforcement officials in California, Washington, and Guyana — along with an examination of scores of public records pertaining to the People's Temple — paint the picture of an institution led by a financial wizard capable of extraordinary deception, hypocrisy, and charm.

For instance, out of more than 100 parcels of real estate turned over by temple members to the cult, there was apparently only one case in which the temple actually paid money for the property. That particular parcel was owned by Jones himself.

RECORDS SHOW that the resourceful Jones and his wife received \$27,500 from the church in 1968 for the purchase of land which they owned in Ukiah, Cal. The land was used to build the group's first temple in California.

The People's Temple was formed as a nonprofit corporation "to further the Kingdom of God by spreading the Word" on Nov. 26, 1965, in Mendocino County, an idyllic coastal area 90 miles north of San Francisco.

Jones, who had moved his church to Mendocino from Indiana earlier that year, quickly built up a sizable congregation and almost as quickly began exhorting his disciples to turn over first 25 per cent of their incomes to the church, then 50 per cent, and finally 100 per cent, along with all other assets.

By the time the temple moved to San Francisco in 1971, the coffers already had swollen to well over \$5 million.

EVEN IN THOSE early days, Jones was careful to blunt any potential investigation of his organization by placing most assets in the name of trusted aides, rather than in his own name or that of the temple itself.

The standard procedure, repeated over and over again in Mendocino, San Francisco, and later in Los Angeles where a third branch of the temple was opened, was for the faithful to sign over their homes to a church official, who in turn would sell the property six months later and "donate" the proceeds to the temple.

One long-time Jones confidante held the deed to 19 different houses in Mendocino County shortly before the move to San Francisco. All the properties were later sold.

Indeed, nearly all the real estate gifts throughout California were disposed of prior to last year's move to Guyana. Investigators believe most of the money in the temple's three known foreign bank accounts came from the sale of these parcels.

STEVEN RAMIREZ, an investigator for the Los Angeles district attorney's office, said he has received numerous complaints from temple defectors whose houses were extorted away by Jones.

One couple, Wayne and Mabel Medlock, have filed a civil suit, charging

'I've got the feeling there's still some stuff we don't know about, still more ripoffs that (Jones) was involved in that haven't come to light.'

that they surrendered property valued at \$190,000 to the temple after Jones personally told them: "You will sign these papers or die."

"You just can't imagine the hold that this fellow had over all of us," said Al Mills, an early defector who lost one home but managed to tie up another piece of property that he had initially signed over to the temple.

"Right now, I can't touch it and they can't touch it," he said. "A lot of the former members are starting to challenge these transactions in court. Maybe some of us will win eventually."

ANOTHER ALLEGED ploy utilized by Jones was to force members to sign a document giving church officials power of attorney to sell their property on their behalf. This scheme was used last year to enable the temple to control all the assets of those most ardent believers who followed Jones to Guyana.

One who signed such a statement was Annie McGowan, an elderly black woman who served as a cook at the Jonestown camp. It was Mrs. McGowan, described by camp survivors as "blindly loyal" to Jones, who traveled to Panama in the company of a top temple official earlier this year to arrange accounts in the local branches of two Swiss banks.

The accounts, which totalled \$7.28 million, were listed in McGowan's name. A letter signed by McGowan and found by police at Jonestown instructed that the money was to be turned over to the Soviet Embassy in the Guyanese capital of Georgetown.

Known assets of Peoples Temple



House in Guyana owned by Peoples Temple and (inset) the Rev. Jim Jones

Bank Accounts	
\$5,241,536*	Union Bank of Switzerland (Panama City branch)
\$2,043,000*	Swiss Banking Corporation (Panama City branch)
\$2,000,000**	Barclays Bank (Georgetown, Guyana, branch)
\$2,000,000**	Combined deposits in four Los Angeles area banks
Real Estate	
\$606,000	Estimated value of six parcels of property in Mendocino County, Cal., former home of Peoples Temple
\$450,000	Estimated value of property in San Francisco, including headquarters building
Cash	
\$691,867	Found by police at Jonestown
\$301,500	Hidden in jungle by fleeing cult aides
Other	
\$5,000,000	Estimated value of buildings, equipment, and supplies at Jonestown camp
Total	
\$18,333,903	All known and reported assets

*Accounts listed in the name of cult member loyal to the Rev. Jim Jones
 **Estimated
 Source: Law enforcement authorities

Tribune Graphic

Survivors of the sect say Jones, a committed Marxist for 20 years, had considered moving his people to the Soviet Union and was hoping to use the funds to buy influence in the Kremlin.

JONES WAS SAID to have fretted that pressure from the American government, particularly in light of the investigation by Rep. Ryan, would force Guyanese officials to close the camp.

The fear of eviction and the planned exodus to Russia may explain the frenetic shifting and reshifting of temple funds in the months prior to the cult's abrupt destruction.

Investigators believe that the bulk of the church's money, at least \$9 million, was transferred from California banks to at least two banks in Panama in mid-1977 as the sect prepared to migrate to Guyana.

Most of those who made the trip, according to ex-temple lawyer Timothy Stoen, carried \$4,500 in cash—the legal maximum—on their person as they entered Guyana. These funds were quickly deposited in the new Panamanian accounts and in a third account which was opened at the Barclays Bank branch in Georgetown, according to investigators. [Guyanese authorities believe this account is still active and contains about \$2 million.]

LATE LAST YEAR, someone from the temple, most likely 26-year-old Terri Buford, traveled to Switzerland to set up two more accounts in the name of the temple. Apparently the money deposited in these accounts was obtained by closing out the Panama accounts—Jones deciding to take advantage of Switzerland's laws allowing substantial secrecy in banking.

The funds did not remain in place for long, however. In October of this year, one month before the end, Mrs. McGowan, accompanied by Jones aide Maria Katsiris, showed up in Panama to arrange still more bank accounts, these in the local branches of the Union Bank of Switzerland and the Swiss Banking Corp.

Once again, the money—or at least \$7.28 million of it—was transferred, this time from the main branches of the

Swiss banks to their Panama City branches.

Thus, Jones could now enjoy the secrecy of Swiss accounts as well as the convenience of having the funds readily available in nearby Panama should the cult be forced to beat a hasty retreat out of Guyana.

MISS BUFORD, described by temple defectors as Jones' chief financial aide, left Jonestown only days before the suicide rites. Last week, she spent four hours with investigators at the federal building in San Francisco. They were hoping for some answers to the many remaining questions on the temple's jigsaw finances. Buford, who is represented by Jones' own lawyer, Mark Lane, reportedly offered little new information.

Of primary interest to U.S. authorities is the likelihood of more bank accounts, some temple defectors claiming that there are as many as a dozen more.

While the known accounts are being watched—their contents frozen at the request of the American government—authorities fear that any unknown accounts could provide the funding for the "hit squad" of surviving temple fanatics that some defectors insist is now in operation.

The location of the unknown accounts provides only one of many mysteries in the bizarre story. It is not clear, for example, exactly how Jones accumulated the staggering sum of \$18 million in the first place.

Even considering all the income and properties he allegedly extorted, the Social Security checks he allegedly stole from temple members, and the substantial weekly collections while the church was headquartered in San Francisco, estimates of their combined worth still fall short of the temple's known total assets.

"I'VE GOT THE feeling there's still some stuff we don't know about, still more ripoffs that this guy was involved in that haven't come to light," one federal source said.

Another unexplained aspect of the case is the extent of the Russian connection. This much is known: McGowan, presumably acting on instructions from

Jones, was prepared to turn over \$7.28 million to the Soviet government. Three Jones aides left the compound the morning of Nov. 18 with orders to deliver a suitcase containing \$301,500 in cash to the Russian Embassy [the money was not delivered, and was later recovered by police]. And American officials have learned that a Soviet Embassy official visited Jonestown only a few weeks before the murder-suicides.

What is not known is whether the Soviets are totally blameless, as they insist, or whether they did in fact play some role in the tragedy.

Finally, there is the question of what happens now to all the money and the remaining property Jones so skillfully amassed over 13 years.

THREE WEEKS AGO, the remnants of the temple congregation in San Francisco filed papers with the city clerk seeking to dissolve the church's corporation. The assets, including the sale of the headquarters building and some smaller properties in the area, are to be used to help pay for the burial expenses of Jonestown victims.

However, there is still an estimated \$606,000 worth of property in Mendocino County owned by the temple. No decision has been made on what to do with these holdings.

And, of course, there are the various bank accounts totaling millions of dollars. In the case of the two Swiss accounts, they were in McGowan's name which could mean that her heirs may have some legal claim to that money.

HOWEVER, THEY WILL HAVE to stand in line. The U. S. government has already begun steps to recover the estimated \$3.5 million cost of shipping the bodies of the Jonestown dead back to this country.

And two weeks ago, a man who claims to have lost 22 relatives in the tragedy filed a \$51 million suit against the temple, charging that Jones had deprived his followers of basic civil liberties through brainwashing and coercion.

It was the first of what is expected to be an avalanche of claims against the temple and the estate of Jones as a story which begs for an explanation shows no signs of receding.