

A Bank-Robbing 'Army' of the Right Is Left in Tatters

Crime: A white-power network links the suspects, now dead or in custody, in a series of bold Midwest holdups.

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COLUMBUS, Ohio — Twice now, Kevin McCarthy has testified about his introduction to the Aryan Republican Army.

In October or November of 1994, he was living in Elohim City, a white-supremacist compound in Oklahoma near the Arkansas border. The Waffle House in Van Buren, Ark., was a short ride east along Interstate 40. McCarthy rendezvoused there with friends from his native Pennsylvania, Aryan Nations leader Mark Thomas and skinhead musician Scott Stedeford.

With them were two other men. One was "Commander Pedro," whose real name, McCarthy would later learn, was Peter Langan. The other, "Wild Bill," was Richard Lee Guthrie Jr.

Pedro, McCarthy says, bragged that he had 12 bank robberies under his belt. Stedeford had told him he'd already helped out in one. At the time, McCarthy was just 17. But he yearned to enlist.

The Aryan Republican Army had a mission: the overthrow of the U.S. government, in a war that would be financed by holdups, in order to establish a country purged of blacks and Jews with a legal system based on the Bible.

The robbers were known in the mystified press from Nebraska to Ohio, from Wisconsin to Missouri, as the Midwest Bank Bandits. Soon after the first arrests last year came indications that the suspects had extensive extremist ties, and The Times detailed a videotape in which masked members of the ARA explained their agenda.

Now, with one suspect found dead in his jail cell, one trial over in Iowa and another going on here, the Aryan Republican Army is emerging as a powerful example of the networking underway among nodes of white-power, anti-government activity.

Inner Workings of Criminal Cell

Testimony, interviews and documents illuminate the inner workings of one of the extreme right's secretive criminal cells--from the members' connections to white supremacists across the country to the tensions that eventually tore the small band of warriors apart. McCarthy has been a prosecution witness against Stedeford in Des Moines and at a pretrial hearing here against Langan.

Among them, the ARA's soldiers had more than a passing acquaintance with top leaders of the white-power movement.

Thomas, who established an eastern beachhead of Aryan Nations at his farm near Allentown, Pa., not only put together the two pairs of friends that eventually formed the nucleus of the group, he passed along fake construction company ID cards and blank hospital forms that would help the ARA establish aliases, McCarthy testified in Iowa. A phone call from Thomas' house in January 1996 warned McCarthy that Guthrie and Langan had been arrested.

Years before the bank spree began, Guthrie was ushered into a private meeting with Aryan Nations founder Richard Butler at his Hayden Lake, Idaho, headquarters, according to a former spokesman who has since renounced the movement. Elohim City, led by Robert Millar, also assumed a role of increasing importance in the lives of the ARA troops.

They drove rickety old vans across the country--between safe houses in Kansas and Ohio, storage lockers in Kansas and Missouri, mail drops in small towns and the banks they targeted.

Sometimes one or two would split off. They did not always tell their remaining comrades why.

The revolutionaries wanted to extend their reach to the East Coast and Southwest, and also work up to robbing an armored car. They collected clothing with FBI insignia so they could pretend to be federal agents, not for robbery getaways, but for "some other purpose," McCarthy has testified. He did not offer specifics.

Charged Men a Curious Lot

Those charged so far seem a curious lot: Guthrie, who never realized his dream of becoming an underwater demolitions expert in the Navy SEALs, was trained to dismantle explosives. Langan, a wiseacre who hid a semiautomatic pistol in a hollowed-out Bible and painted his toenails pink. Stedeford, who drifted from the Philadelphia suburbs to white-power music clubs. McCarthy, a 10th-grade dropout who spent his adolescence experimenting with drugs and running away from home.

Yet over two years, the ARA managed to amass at least \$250,000 and a prodigious arsenal--at the same time approaching the bank robbery record of 25 set by Jesse James and his gang. During the heists, ARA members spoke to each other in Spanish and gibberish. They wore disguises ranging from Nixon masks to a Santa Claus costume. They left behind pipe bombs as their calling cards, although no one was ever injured.

They have said they intended to leave realistic duds to slow pursuit. But at least one device, prosecutors say, could have exploded.

Guthrie pleaded guilty to 19 robberies and apparently hanged himself with a sheet in July, just before scheduled court and grand jury appearances. He was 38. He left a note expressing fear that he or relatives would face harm because he'd cooperated with law enforcement. "Simply put," he wrote, "better now than later."

Langan's trial on a five-count indictment started here last week and could take up to six weeks. Also 38, he denies robbing any banks and says he is being persecuted for his beliefs. "I am a political prisoner!" he yelled from the lockup after his arrest here in a fusillade of gunfire.

Stedford, 27, was convicted in November of a bank robbery charge in Iowa and will be sentenced next month.

McCarthy, having confessed to six robberies, is the government's star witness.

A fifth man, Michael Brescia, has been notified that he is a target of a federal probe into the robberies, his Philadelphia lawyer says.

Although they came into the movement through separate entrances, each met people from other white-power outposts and soon moved freely among them--roaming through a landscape of rural compounds filled with true believers, each one certain that Jews control the government for evil purposes, nonwhites are "mud people" and that whites are being oppressed and must wrench themselves free.

At Hayden Lake and at Thomas' farm at Macungie, Pa., white-power conclaves have attracted hundreds of the curious, while a select few have been invited for extended visits. At Elohim City, those who needed a place to stay were granted one.

Like thunderstorms spawning tornadoes, the angry rhetoric and calls to action at these gathering spots have apparently inspired criminal acts.

The ARA cell was not the first to operate under the reigning philosophy of "leaderless resistance," a phrase coined by Aryan Nations ideologue Louis Beam. The theory calls for small bands to wreak havoc against government and financial institutions, in a manner covert enough that top leaders in the movement can deny knowledge, and clannish enough that infiltrators can be screened out.

ARA Descended From the Order

The ARA was a spiritual descendant of the Order, a gang of extremists that came together from several white-supremacist groups during the 1980s, stealing more than \$2 million and assassinating Alan Berg, the Jewish host of a Denver radio talk show.

These resistance squads have moved beyond the standard militia-movement stance of preparing to fend off government crackdowns if and when they come. They are acting aggressively in hopes of sparking revolution.

One of the ARA's contemporaries may have been the group that bombed the Alfred P. Murrah Federal Building in Oklahoma City, killing 168 people and injuring more than 800 on April 19, 1995. The federal government has investigated whether there were links between the Midwest robberies and the blast, the worst act of terrorism in U.S. history.

No evidence emerged, federal sources say. Guthrie, in an interview with The Times before his death, and Brian McMonagle, Brescia's attorney, both denied any connection to the Oklahoma City bombing. "Some of [the speculation] came from people associated with us, some ex-friends," Guthrie said. "Any time anything happened, they'd call Secret Service up and the FBI and say it was us."

The robbers had embarked on a philosophical journey similar to that of bombing suspects Timothy J. McVeigh and Terry L. Nichols, which sometimes took them through the same terrain at about the same time. They'd entered an insular world where paths tend to cross, diverge and cross again.

Elohim City, for example, was home to James Ellison--founder of the paramilitary outfit called the Covenant, Sword and Arm of the Lord--after he finished a prison term for earlier violence. McVeigh reportedly may have attempted to telephone Elohim City in the days before the bombing. And Elohim City offered berths to McCarthy, Stedford and Brescia.

Talk on Furthering 'Their Cause'

The seeds of the ARA were sown in early 1991, when Shawn Kenny--a white supremacist who is now a U.S. Army soldier--became friends with Langan and Langan's boyhood friend, Guthrie. Over the next year or so, the three discussed how to further "their cause," Assistant U.S. Atty. Dana Peters said in the opening statement for Langan's trial.

During this period, Guthrie had allegedly been pulling scams involving the use of fake receipts to return stolen property to K marts. A West Virginia sheriff said in an interview that Guthrie, who'd been arrested there, told him he had raised \$250,000 through fraud for Aryan Nations.

Guthrie was no stranger to Hayden Lake or Butler, who is also a minister of Christian Identity, a white-power religion. He and Langan had visited there during

the 1980s. Thomas was a regular too.

Guthrie was impressed. He gave tapes of speeches by Butler and Thomas to his younger brother as Christmas gifts in 1989.

In the autumn of 1991, Guthrie--carrying four hardcover books--walked up to the entrance of the remote Hayden Lake camp, Floyd Cochran, who was then the group's spokesman, said in a recent interview. "I'd like to speak to Pastor Butler," Cochran remembers the visitor saying. He recalls taking Guthrie to Butler's office, but does not know what the two discussed.

By 1992, Guthrie was living in Georgia. He allegedly made threats against President Bush at a time when Bush and Bill Clinton were traveling the state. The Secret Service recruited Langan as an informant. He had been arrested on charges of robbing a Pizza Hut, but was released on condition he try to find his friend. An FBI agent drove Langan to Atlanta, put him on a bus to Cincinnati and gave him \$50 for food.

Within months, Kenny, Langan and Guthrie were casing banks together in Ohio, Peters told the jury here. Once, the three made a dry run at a suburban Cincinnati bank, Peters said--Kenny driving into the parking lot with Langan and Guthrie in ski masks and bulletproof vests, carrying firearms.

The Midwest Bank Bandits began their spree in January 1994, and eventually, authorities say, the group robbed 22 banks in eight states--including the branch where Kenny told prosecutors he rehearsed with his friends.

On Oct. 25, 1994, two men in hard hats, military-style ski masks and sunglasses charged through the double doors of Columbus National Bank here. One rifled through the teller drawers, yelling to his colleague, "La bomba! Andale! andale!"--Spanish for "The bomb! Move it along!" They pointed guns at a customer and a teller, the only two blacks in sight.

When they left with their loot, the branch manager noticed a black lunch box. It contained an explosive device and a pack of Twinkies. The job, investigators decided, was the work of the Midwest Bank Bandits.

Soon there were more than two.

Guthrie told FBI agents that Thomas introduced him to Stedeford, according to an affidavit filed in Des Moines. And Thomas had taken both Stedeford and McCarthy to Elohim City.

About two months after his induction at the Waffle House, McCarthy has testified, he and Stedeford met Langan and Guthrie at a mall in Joplin, Mo. They drove to Middleburg Heights, Ohio, and robbed a bank.

Langan and Guthrie did not know much about their new accomplices, not even their last names, according to Guthrie, who called them "the boys."

Still, "the boys" were brought back to a safe house in Pittsburg, Kan. They were now in the ARA.

In the winter of 1994 and early 1995, the four made a recruitment videotape at the house. Usually, Stedeford held the camera, McCarthy testified, while a masked "Commander Pedro" and "Commander Pado"--Guthrie--ranted about their dream of an America where President Clinton and Atty. Gen. Janet Reno had been tried as war criminals, all the blacks had been deported and all the Jews killed. They brandished a grenade and various rifles, along with jars containing \$20 and \$50 bills.

The group also traveled extensively in a manner eerily reminiscent of McVeigh's movements through Arizona, Kansas and Oklahoma. A sample itinerary, according to McCarthy:

January 1995: McCarthy and Stedeford travel from a visit home in Philadelphia to Joplin to meet Langan and Guthrie.

January, February 1995: All four go to Arizona on a failed expedition to take on an armored car.

March 1995: Back to the Kansas safe house, then to Des Moines to rob a bank--and buying an Easter basket to hold the pipe bomb.

April 1995: McCarthy and Stedeford go to Elohim City, where they sell Stedeford's faulty van and buy another one for about \$3,000. By April 21, the two were registering the new van in DuPage County, Iowa, under a false company name.

At some point after the ARA's Arizona journey, Stedeford took off on a brief solo trip, telling McCarthy he was going to Philadelphia.

A bank in Wisconsin that the ARA had considered robbing seemed too large for the four of them, McCarthy testified, so he and Stedeford suggested adding a fifth man. He did not give a name in court, but federal sources familiar with the robbery investigation say he was referring to Brescia, who played in a band with "the boys."

In August 1995, Stedeford picked up the new guy at a farm near Ft. Smith, Ark.--identified by federal sources as Elohim City--and after the robbery, drove him back, McCarthy testified.

By the winter of 1995, just as the national media were beginning to focus on the Midwest Bank Bandits, the ARA was fraying. One night, at a safe house in Columbus, according to a written communication Guthrie sent to relatives, the four watched a CBS segment about the mysterious robbers.

Afterward, Guthrie wrote, Stedeford and McCarthy said they wanted to go off on their own.

The disagreements had long been brewing. Guthrie had driven a getaway car to the wrong spot after a robbery, McCarthy has testified, leaving his angry colleagues stranded at the agreed-upon place. And Guthrie, McCarthy said, had wanted to go ahead and rob a bank even though police cars were in the area. The others called off the job.

Guthrie told family members a different version: that he didn't want bystanders to get hurt and he was afraid "the boys" didn't share his concern.

In any case, Langan, McCarthy and Stedeford went off to the next job without him.

So Guthrie went to Cincinnati to rob a bank on his own. There, his old friend, Kenny, arranged to meet him at a restaurant.

He didn't know that Kenny had invited the FBI along as well.