

Filthy Lucre¹

For the assertions of so many facts in this chapter that are not referenced by an endnote, the author is indebted to the very professional journalism contained in the team report, “A Kanaka Valley Tragedy,” that appeared in Spectrum 27:2 (Spring 1999), pages 58-67. I am particularly grateful to the journal’s editor, Bonnie Dwyer, for the access I was given to stacks of Folkenberg-related business, legal and miscellaneous documents that the Spectrum team gathered for its report. Material from several of those documents significantly enhanced this chapter.

EARLY IN THE SIXTH AND PIVOTAL DECADE of the twentieth century, the comparatively clean-cut young graduate students attending C. Mervyn Maxwell’s church history classes at Andrews University Theological Seminary heard their professor ask the then-startling question: “What do we Adventists do if we should find ourselves with a *bad* General Conference president?”² Three decades later, the election of Robert Stanley Folkenberg to the General Conference presidency seemed to some an act of faith rewarded and to others the unintended consequence of reckless presumption.

Except as the very tall, baby-faced man with the good baritone voice so ably chairing the nominating committee of the 55th General Conference Session at Indianapolis in the summer of 1990, very few of the committee’s 226 members were familiar with the middle-aged Carolina Conference president. He was the first local conference president in the twentieth century to vault over union conference and division heads, as well as General Conference vice presidents, to become

chief executive officer of the world-wide Seventh-day Adventist Church.³ The leap was tantamount to a North Carolina state assemblyman being elected president of the United States; or, to keep the analogy sectarian, as if a diocesan bishop had hurdled archbishops, cardinals and major archbishops to become pope. But it was even more interesting than that.

In the process of skipping levels of administrative hierarchy, Folkenberg found himself in a position of authority over the two men who had most recently been his immediate superior officers. During the quinquennium ending in 1985, Folkenberg was field secretary⁴ under George Brown,⁵ the man who became president of the Inter-American Division at the 1980 General Conference session in Dallas—winning by one vote over . . . Robert Folkenberg.⁶ And just an hour or so before Folkenberg's heady shock, he was presiding over the committee that nominated the same George Brown (130 to Neal Wilson's 81)⁷ to be General Conference president—a man whose nomination went unreported in the *Adventist Review's* blanket coverage of the session.⁸

Another reversal of fortune occurred when Southern Union Conference president Al McClure, Folkenberg's immediate administrative up-line for the previous five years, was elevated to North American Division president, only to find himself looking up—now figuratively as well as literally—at his former Carolina Conference subordinate.

Nothing more than innocent curiosity is required to wonder how the first-term, Carolina Conference president came to be chairing such a crucial GC session committee. A reasonable deduction from what is known suggests that he was an unusually capable and well-connected insider. When as a fledgling singing evangelist Folkenberg served in the Columbia Union (1964–1966),⁹ Neal C. Wilson was his union president. His parents were overseas workers; his uncle, Elman J. Folkenberg, was co-developer in 1960 (with Wayne J. McFarland) of The Five-Day Plan to Stop Smoking.¹⁰ Perhaps just as important, his wife, Anita Emmerson Folkenberg, was the daughter of retired General Conference treasurer Kenneth H. Emmerson, who had worked closely with Neal Wilson during all of Wilson's dozen years (1966 through 1978) as General Conference vice president for North America.¹¹

Periodically during his twenty-five years in “the work,” Folkenberg had sought Wilson's counsel about taking various calls he had been offered to other denominational positions.¹² When he left Central America

for the Carolina Conference in 1985, Wilson involved Folkenberg “in formulating Global Strategy and the McBride Report,”¹³ which was “the basis for plans to downsize the General Conference”—in fact he was one of three subcommittee members who returned the findings to General Conference officers.¹⁴ Utilizing much that he had learned participating in those unique assignments, Folkenberg had written just a year earlier (June 1989) a wide-ranging *Ministry Magazine* article that incisively analyzed essential components of the world church operations and suggested cost-saving, efficiency-targeted reforms in both structure and governance.¹⁵ Further evidence of his closeness to Wilson was the inclusion of Robert and Anita Folkenberg with Wilson and his wife, Eleanor, in a very small party that flew to Moscow on its way to the December 2, 1988, dedication of the first Adventist seminary in the former Soviet Union.¹⁶ Rumor had it that Wilson wanted Folkenberg to serve as his assistant in what he expected would be his third presidential term.

Chairman Folkenberg

Late on the first July and Thursday evening of the 1990 Indianapolis General Conference session, Wilson met with the nominating committee to facilitate the choice of its chair. Among seven candidates for the role, Folkenberg’s only real competition turned out to be Pacific Union President Thomas Mostert and Andrews University president Richard Leshner.¹⁷ Mostert may have been taken less seriously after someone wondered aloud if he had overseas mission experience and Neal Wilson evoked laughter with his quip that Tom had served for a time in Hawaii.¹⁸ On the third ballot, Folkenberg was the last man standing, garnering 102 votes to Leshner’s 53. If Wilson wanted Folkenberg to chair the nominating committee, it may have been the last time he got his way as General Conference president. The two men talked late into Thursday night before the nominating committee reconvened on Friday morning July 6.¹⁹

Political inertia almost always favors the reelection of an incumbent officer at a General Conference session. At least theoretically no one campaigns in advance for an office (and certainly not explicitly), and the nominating committee receives no slate of candidates to consider before the day they choose the nominees.²⁰ (Of the 226 committee members, the 83 union presidents comprised the largest, position-specific subset; and they are, of course, subordinate to the division presidents and General

Conference officers they are empowered to help elect.)²¹ The provision by Wilson to each nominating committee member of brief biographical information and service records for the incumbent officers only exaggerated their advantage. But with Folkenberg's easy acquisition of the chairmanship, notice had been given that at this General Conference session the two largest world divisions (Inter and South American) would make their numbers and preferences felt.²²

Following his Friday morning devotional, Chairman Folkenberg wrote on a whiteboard those individuals (a dozen in all) whose names were called out by various members of the nominating committee for consideration as General Conference president. Each of the twelve candidates held division officer or General Conference positions and consequently was among those whose service records were in the hands of the committee members: incumbent Neal Wilson, I-AD president George Brown, Trans-European Division president Jan Paulsen, General Conference secretary G. Ralph Thompson, General Conference vice president Robert Kloosterhuis; Southwestern Union president Cyril Miller; General Conference vice president Calvin Rock, General Conference vice president Ken Mittleider, South Pacific Division president Walter Scragg, Far Eastern Division president Ottis Edwards, South American Division president Joao Wolff²³ and retiring Eastern Africa Division president Bekele Heye. At 70, Wilson was the oldest; while Heye, 53, was the youngest.²⁴

With concerns for diversity and representation (cultural, racial and geographical) a part of proliferating democratic political tendencies, it is worth pointing out that none of the nominees were of Asian or Pacific Rim heritage; but four of the twelve were melanin-rich: Brown, Thompson, Rock and Heye, while the remainder were caucasian.

For about 90 minutes a parade of committee members—especially those from Africa, Europe and Russia—rose to praise Wilson's leadership skills and strong relationships with heads of state. No cloud appeared in Wilson's reelection skies until late in the morning when the target of Wilson's "Hawaii" quip, Pacific Union president Tom Mostert, offered a discouraging word. After recognizing Wilson's many gifts and sterling service, Mostert asked the other divisions' representatives to understand that North America had spent twenty-four consecutive years under Wilson's firm influence—twelve years as General Conference vice

president for North America and then twelve more as General Conference president. Twenty-four years, the West Coast leader argued, was a long time for one man to more or less control the agenda for Adventists in North America.

Southeastern California Conference president Stephen Gifford spoke next, insisting that his diverse constituency did not consider itself represented at the General Conference, and that its youth felt disenfranchised. He floated the idea that Wilson's estimable experience and talent could best serve the church now as a goodwill ambassador.²⁵

Gifford's call for fresh leadership was the second of many that followed from North American and Inter- and South American division representatives. And when a little into the noon hour the first ballot was counted, the results, as Folkenberg put it, "electrified" the nominating committee. Wilson had received just one more vote (76) than George Brown (75), Jan Paulsen had thirty-one and Cyril Miller eighteen.²⁶

The top four vote recipients were kept for a second round ballot that indicated Wilson's base really was collapsing: Brown (88), Wilson (84), Paulson (27) and Miller (10). A runoff ballot between Brown and Wilson brought compelling closure: Brown received 130 votes and Wilson 81.²⁷

Folkenberg had the unhappy task of informing his mentor that he was being replaced. Brown could not be found for a time, and then resisted efforts by Folkenberg, nominating committee secretary Ben Reaves and two North American Division union presidents (Phillip Follett and Ronald Wisby) to persuade him to accept the nomination.²⁸ After prayers and hurried consultations with family, friends and Inter-American Division colleagues, Brown still felt no conviction that he was called to the position and regretfully declined the nomination. He did not believe that the problems facing the church could be solved in one term; and he felt unprepared, at 66, to face two terms.²⁹

As Folkenberg restarted the nominating process, South Central Conference president C. E. Dudley, "with no prior thought," almost as a whim, added the chair's name to the list of potential nominees.³⁰ And so around 4:15 p.m. on Friday afternoon, Folkenberg handed the gavel to nominating committee vice chairman (and Trans Australian Union president) D.B. Hills, and left the room.

Southern Union president Al McClure provided the nominating committee with a brief resume of Folkenberg's background that no

doubt was mirrored by the one he presented to the entire delegation less than two hours later. After sketching briefly the church service given by both Folkenberg's parents and in-laws, McClure listed the candidates "educational training at Andrews University and at Newbold College in England"—following which "he began his ministry as a singing evangelist in the North American Division. Bob and Anita then accepted an invitation to Inter-America, where Bob began his work in Panama as a pastor," McClure continued. "Following that, he became the president of the Honduras Mission . . . was elected president of the Central American Union Mission . . . was later the assistant to the president of the Inter-American Division, and five years ago at the General Conference session was one of those seriously considered for president of the Inter-American Division."³¹

Speaking as president of the Southern Union, McClure said: "Bob and Anita are greatly loved and highly respected in the Carolina Conference. He has had a great deal to do with helping Elder Wilson and the administrative team of the General Conference develop Global Strategy, which is being launched at this session."³²

And then McClure mentioned a Folkenberg gift that may have contributed to his downfall. "Elder Folkenberg is fiscally very responsible and knowledgeable," he declared. "He can read and analyze a financial statement as well as most treasurers can." This probably was no exaggeration. If Folkenberg "weren't a pastor, he would be an executive in a major corporation," said then Hawaiian Mission president Charles Sandefur. "He's innovative and a risk-taker. He thoroughly understands financial issues," Sandefur added.³³

McClure may have been in a position to recognize perhaps that Folkenberg was "a man of great balance and keen intellect." However, the union president's own history as board chair of Southern College—particularly his heavy-handed attempts to replace its religion faculty in the early 1980s³⁴—suggests that it might not have been prudent to accept, on his say so, that Folkenberg was "culturally sensitive . . . theologically sound and well-balanced, and . . . spiritually strong."³⁵ Nevertheless, late on a Friday afternoon, and anxious to bring a nominee before Sabbath to the restive delegates seated on the Hoosier Dome floor, the nominating committee resumed its work.

First the committee voted overwhelmingly not to reconsider Wilson.

Others not maintained for reconsideration were George Brown, Joao Wolff and Robert Kloosterhuis. The new list included Folkenberg, Adventist Disaster Relief Agency director Ralph Watts, General Conference associate secretary Leo Ranzolin, General Conference associate secretary Fred Thomas, and first-round holdovers Jan Paulsen and Cyril Miller. The initial ballot tally: Folkenberg 62, Paulson 56, Miller 28; and no one else achieved a dozen votes. With only the three largest initial-ballot vote getters maintained for the second ballot, Folkenberg was declared the winner, with 111 votes to Paulson's 69 and Miller's thirty-five. If Brown had been shocked three hours earlier, Folkenberg was dumbfounded.³⁶

Casting lots

And so Folkenberg's precipitous ascent was awarded him through a process that nominating committee member (and Adventist theological gray eminence) Fritz Guy said was "not nearly as rigorous a process as choosing a Loma Linda University dean. No one asked where he stood on any issue. Nobody even asked the Carolina workers, 'How do you like this fellow?'"³⁷

Because the diverse, congregation-sized nominating committee at a General Conference session assembles and nominates a new president in one sitting, there is little opportunity for critical scrutiny of any nominee's denominational service record.³⁸ Ordinarily, however, the nominee is rather well known to his world church peers—union and division presidents and General Conference vice presidents with whom he usually has worked over a considerable span of years. But, as *Review* editor William Johnsson put it, "he was outside 'the system'—not a General Conference officer, division president, or even union conference president."³⁹

There are Adventist leaders who believe that the less is known about a person or issue on which a vote is to be taken, the more room there is for the Spirit to work. In the nomination of Robert S. Folkenberg for General Conference president, the General Conference in session came as close as it ever had to simply casting lots.

In retrospect

From the distance of three subsequent quinquennia, it seems not entirely fanciful to wonder whether George Brown's rejection of the

nomination had considerations other than age and the possibility that he would not have the energy or health for a second term. (After all, the 70-year-old Wilson was eager for a third term.) In the few minutes, it is reported, that Folkenberg spent trying to persuade Brown to accept the nomination,⁴⁰ did the two men discuss any of the murky financial transactions from their Central American past to which both men were party?

Given the powder keg on which he sat in the summer of 1990, it is easy to wonder why Folkenberg was willing to accept the nomination. Less than four months earlier (March 20, 1990), the General Conference president-elect quietly had offered \$53,000 to a California Superior Court toward restitution and reduced time for his long-time friend and business associate, James E. Moore,⁴¹ whose prison sentence for conviction on eight counts of grand larceny began at the end of December 1989.⁴²

In his generous concession remarks, Neal Wilson could not have recognized his own prescience when he enjoined the delegates to “[h]ave pity for Bob,” and to provide his young successor with “strong, prayerful support,” adding, “I tell you that he’s going to need it.”⁴³

Was a certain prisoner lurking in the background of Folkenberg’s thoughts as he accepted the vote of the delegates saying: “I believe fervently that there is no challenge so deep, no difficulty so apparently unsolvable, that the Lord cannot provide the answer.”⁴⁴

It is difficult to imagine the social-political black hole that confronted anyone on the nominating committee (or the division and General Conference-level leaders closely following the drama in nearby holding rooms)⁴⁵ that was acquainted with Folkenberg’s years of Inter-American Division entrepreneurship and who might have mulled over the possibility of standing late Friday afternoon in a well-intended effort to derail this second nomination.

When George Brown rejected the honor, Folkenberg addressed the nominating committee saying: “A nightmare of nightmares has occurred.” This seemed a little melodramatic at the time, even as a prolepsis to what would become of Folkenberg’s presidency in 1999. Had a knowledgeable nominating committee member stood after the initial ballot—when it became obvious that Folkenberg had a real shot at winning—and in an anguished voice announced ever so reluctantly that he was personally privy to problematic activities participated in by the candidate during

his nineteen years of service in Central America that would make the nominee a questionable choice for world church leader, such a moment might actually have qualified for Folkenberg's hyperbole.

Although "stories of his questionable business deals abound[ed],"—related by "people who worked with Folkenberg in the Inter-American Division, both at the administrative and at the lay levels,"—none appeared in print (apart from the Kanaka Valley fiasco) until *Adventist Today* reported examples provided them by several sources.⁴⁶

Among those 1990 nominating committee members who might have spoken up with misgivings about Folkenberg's Inter-American entrepreneurship are the following: Ismael Castillo and Luis Florez, who both served with Folkenberg as members of the nominating committee from the Inter-American Division at the 1980 General Conference session in Dallas.⁴⁷ Four of five Inter-American Division union presidents who sat with Folkenberg on the I-AD executive committee between 1980 and 1985—Luis Florez, Agustin Galicia, Aristides Gonzalez, Juan Guerrero Lopez and Eric John Murray—were members of the nominating committee at New Orleans in 1985 and again at Indianapolis in 1990.⁴⁸ Less likely to be familiar with Folkenberg's rolling stops were 1990 nominating committee members from the Inter-American Division who had served merely as session delegates in 1985—such as Asser Jean-Pierre, Antoine Oculi, Ivan Omana, Donato Ramirez, Felix Rios, and Iszo O. Zelaya.⁴⁹

Who among the high-powered and interested (but nonvoting) nominating process bystanders—beyond George Brown—within the Inter-American Division leadership might have flagged the locomotive?⁵⁰ Ramon H. Maury was Inter-American Division treasurer from 1980 to at least 1995; J. H. Figueroa, Inter-American Division secretary since 1970, was replaced at the 1990 session by Agustin Galicia; Eugene A. Blackman was Inter-American Division auditor beginning in 1985; and General Conference vice president Robert J. Kloosterhuis (beginning 1985) served in the Franco-Haitian Union, Port-au-Prince, Haiti, from 1960 to 1964, and from 1976 to 1980.⁵¹

Shortly after Folkenberg's election, while still at Indianapolis, Ramon Maury—who as treasurer of the Inter-American Division had served closely with Folkenberg (from 1980 to 1985)—provided the General Conference auditing service director a telling witticism: "Folkenberg

is a man of vision; and I have learned that men of vision need supervision.”⁵² Of those on the nominating committee who knew the troubling facts, how many had clean hands? Would an investigation have exposed them? Where would such a whistle-blower begin; and then what would his nominating committee colleagues do with remarks that would have been as welcome as a stool specimen in the baptistry?

When Brown refused the nomination, by virtue of his long association with the Adventists of the region, the Spanish-speaking Folkenberg served as a proxy for Inter-American Division identity; and the sensibilities that permitted Folkenberg to participate in dubious business transactions also allowed him to accept the highest honor and responsibility that his colleagues in “the cause” could bestow.

Who are these guys?

Whoever Robert Folkenberg really was in 1976, the young Central American Union Mission president had territory, a budget and a twin-engine Piper Aztec;⁵³ and he set his own appointments. One of those was with James E. Moore, a businessman from northern California who had flown to Guatemala with an Adventist friend to view the devastation caused by a large earthquake that struck the country in February of 1976. Presenting himself as a man of means and connections, Moore “offered to help the church” recover from the damage caused by the temblor. “Folkenberg saw in Moore a philanthropist who might benefit the Adventist mission,” wrote *Adventist Review* editor William Johnsson, after a late January 1999 phone conversation with the besieged General Conference president.⁵⁴

In Moore, Folkenberg also saw a contemporary (they were born three months apart) nearly his size (Moore is 6’3” and around 250 lbs.), a fellow pilot, another lover of travel and an African American who appeared to have made it.⁵⁵

While Folkenberg spent his early years growing up bilingual in Puerto Rico and Havana, Cuba, and completing high school in 1958 at Milo Academy in southern Oregon,⁵⁶ Moore was born in Tyler, Texas, but attended primary grades at Holy Angels Catholic School in Sacramento, where he graduated from Sacramento High in 1960.⁵⁷

The more academically focused Folkenberg plowed directly ahead: a year each at Atlantic Union and Newbold colleges; and two concluding years at Andrews University, where he graduated before earning a

master's degree in New Testament theology from the same educational center's theological seminary in 1963.⁵⁸

With high school behind him, Moore's ambition led him through a variety of jobs. His curriculum vitae lists construction work, estimating (perhaps insurance related) and headhunting (owned and operated a personnel agency from 1963-1966); and between 1967 and 1974 he sold "securities, health, accident and life insurance" for Penn Corporation Financial. Around this schedule he worked in classes at a variety of colleges in Idaho and Northern California, graduating in 1982 from the University of San Francisco with a Bachelor of Science degree in applied economics and personnel management.⁵⁹

While Moore was, by his own account, starring as a perennial top-ten producer of sales during his seven years with Penn Corp (1967-1974), Folkenberg served as pastor in Colon, Panama (1966-1968), stewardship director and conference evangelist for the Panama conference (1968-1969), president of Honduras Mission (1970-1973), secretary to the Central American Union (1974-1975) and president of the same entity from 1975 to 1980.⁶⁰

In 1974 Moore left Penn Corp to go prospecting—in real estate. He would identify properties that appeared ripe for development, acquire an option to purchase, and then convince individuals of means (limited partners) to provide capital for impact studies, licenses, political lobbying, architects and contractors—while Moore (as general partner) coordinated the project. He called these associations, "site locator partnerships." Later he would sell the improved or developed property, and he and his limited partners would profit; at least that was the scenario by which, between roughly 1976 and 1982, he claimed to have accumulated assets worth \$9 million and indulged his love of flying and worldwide travel. (Moore claims "significant foreign travels . . . within 151 countries.")⁶¹

Perhaps it was those accomplishments that earned for Moore the nickname he published in his curriculum vitae: "Sage."

While Moore was getting rich, Folkenberg was running the Central American Union Mission—with its seven fractious, peninsular states that stretched from Belize and Guatemala on Mexico's southern border down through Honduras, El Salvador, Nicaragua and Costa Rica to Panama's narrow juncture with Colombia.⁶² It was a large assignment with a population base of 30 million.⁶³ But between 1975 and 1980—the years

Folkenberg was union president—a torrent of baptisms swelled its remnant population: from 48,046 to 75,629 members.⁶⁴ This steep trend contributed significantly to the statistic that enabled retiring Inter-American Division president B. L. Archbold to boast at the 1980 General Conference session in Dallas that “[e]arly in 1979 the Inter-American Division . . . became the largest division in the world church.”⁶⁵

During the years that Moore claimed he had accumulated \$9 million in assets, Folkenberg also was handling millions of dollars. He funded an expansion to his union’s office complex in Guatemala City (including, beyond office space, two apartments and ten houses). He funded and managed construction of AM, FM, and short-wave radio stations (and an audio production facility) in Guatemala City; and, an apparent pioneer in what later would be termed “faith-based initiatives,”⁶⁶ Folkenberg secured financial assistance (and hundreds of tons of relief supplies) from several western European governments, as well as from private American and European corporations and foundations, for Guatemala City and the region around it extending into northern Honduras that was so devastated by the 7.5 magnitude earthquake that struck around 3:00 in the morning of February 4, 1976.⁶⁷

The epicenter of this seismic shift was on the Montagu Fault, approximately 60 miles east northeast of the recently upgraded headquarters of the Central American Union Mission. Using his own amateur radio station, TG9SQ, Folkenberg coordinated the relief effort with Seventh-day Adventist World Service (SAWS) executive director Howard Burbank on Ed Peterson’s K3LJP/3 in the Review and Herald building in Takoma Park, Maryland.⁶⁸ “You can stand up almost anywhere in town and look in any direction without seeing anything higher than your head,” Folkenberg reported at the time.⁶⁹ Of the 22,000 people killed in the disaster, fifteen were Adventist church workers; and 250 members’ homes, nine churches and two schools were destroyed.⁷⁰

It was in the aftermath of this natural devastation that the unlikely friendship between Moore and Folkenberg was forged.

How the web was woven

Through the good offices of his new friend and president of the Central American Union, Robert Folkenberg, James E. Moore conveyed

in 1978 all of the stock in his Caribbean-island-based company, Southern Equipment, to the Inter-American Division of Seventh-day Adventists. Given what is known now about Moore's *modus operandi*, it can be assumed to a moral certainty that shares in Southern Equipment did not merit even the fancy printing and obscure signatures that appeared to provide its stock certificates with financial *gravitas*. But Folkenberg and his superiors at the Inter-American Division (through its ownership of Southern Equipment) were sufficiently impressed to join James Moore a year later in the establishment of another off-shore entity: Kanaka Valley Investors, Ltd.

James Moore no doubt was the controlling, general partner in the new "enterprise"; and, as was always the case with Moore's partnerships, his preponderance of shares was imbued with worth provided by the capital of the limited partners. In the case of Kanaka Valley Investors, the limited partner was Southern Equipment (Inter-American Division); and the capital was imparted (to put it in soteriological terms) from an institution that ordinarily was in the business of brokering grace to an individual who faithfully made it his business to create repositories for other people's money. In this particular case, grace represented a saving of sorts to James Moore: \$100,000 worth, to put it in crass, monetary terms. Unfortunately, this was just the beginning of the grace—or sorrows—our missionary would extend over the next twenty years to James Moore.

Hindsight makes the source for Southern Equipment's \$100,000 contribution to the new entity a subject for curiosity. Was it Inter-American Division operating funds? Was it a loan against some shares in property owned by others? Was it the savings of an Adventist (or several Adventists) convinced by a persuasive Folkenberg that such an investment would multiply (like the gospel loaves and fishes) many times to the glory of "the cause" in Central America? The least likely scenario is that James Moore gifted Southern Equipment to the Inter-American Division front-loaded with cash. In fact it has become clear that James Moore's "gifts" were more often heavy obligations than eleemosynary acts.

In the comparatively primitive environs of the Inter-American Division, and in his role as bush-pilot/president of the Central America Union, Folkenberg had all the freedom-seeking space the ESTP temperament type craves: autonomy and mobility.⁷¹ In the jungles and mountains of Colombia, communication with the more developed and

settled world were weak and intermittent. The young missionary did not have the opportunity (burden?) to place many decisions before ponderous committees. Very seldom did anyone look over his shoulder, and those whose responsibility he was had much to be pleased about and more than enough duties of their own.

Without doubt the rising young church executive was committed to the mission and message of the three angels; but he also may have felt the tug of the macho and mercantile world in which he was raised and may not have entirely foresworn. As a pilot tethered to the fecund flora and fauna of the fetid forests of Central America's interior, Folkenberg (with his multi-engine, fixed-wing aircraft, seaplane and helicopter pilot's ratings) could approximate a baptized Barry Seal (CIA agent-cum-soldier of fortune),⁷² or (with his scuba certificate) play Navy Seal—and all this without ceasing to be a 6'5" super warrior for Christ.⁷³

An apostle and a crusader, Folkenberg had it, as they say, "going on." But something was missing: this state-of-the-art (he was—in the manner of Albert Gore—an early computer-apps enthusiast), bundled and shrink-wrapped Barnabas knock-off frequently operated without a user's guide, warrantee or tech support.

Through our unavoidably dark glass, Folkenberg appears to have been a North American capitalist with quintessential Yankee ingenuity operating in the legal vagaries of the Third World, where a bribe and a thank-you gift easily morph—where police, guerilla fighters, Federales, drug smugglers, kidnappers and politicians shape-shift frequently and seamlessly. In that messy milieu, a Folkenberg might make the case: "When in Colombia, do (at least to the extent necessary) as the Colombians—requisitioning and adjusting for time and place, as a third-millennium Adventist missionary, the Pauline admonition to "become all things to all people."

Inter-American Division "investors"

A very small fraternity knows what happened to the \$100,000 that the Inter-American Division "invested" with James Moore's Kanaka Valley Investors, Ltd., sometime before March 1979. Neither that cash nor that company receives mention after that time in the documentation for any published version of the Folkenberg resignation story. It is clear from evidence presented in the Family Enrichment Resources chapter of

this volume (\$324,500 in Columbia Union cash gambled surreptitiously by its primary executive officers and lost) that it is possible no executive or finance committee at the Inter-American Division ever reviewed the \$100,000 disbursement to Kanaka Valley Investors. But beside Folkenberg, at least one or two of the Inter-American Division's three elected officers would have had to know. The most likely candidates were B. L. Archbold (president), Jose Figueroa, Jr. (secretary) and Robert R. Drachenberg (treasurer). It would have required conspiratorial stealth to keep the fact from the division's auditor, T. G. Sample and from Gabriel Castro, director of stewardship, development and trusts.⁷⁴ (Almost a decade later Drachenberg acquired for the Adventist Development and Relief Agency [ADRA], through the good offices of Robert Folkenberg, a computer system that never really worked.)⁷⁵

1980 Kanaka Valley Associates

Fifteen months later (July 1980), James Moore formed another limited partnership named Kanaka Valley Associates. The use of that name, "Kanaka," again, was far more meaningful than a developer naming a street after his daughter or his yacht after his wife—and it portended trouble. Kanaka Valley Associates was at least the fourth in a succession of entities James Moore had formed, each predicated on the same 1,373 acres of undeveloped property in El Dorado County's Sierra Nevada foothills, about thirty miles east of Sacramento. Appraised as raw land at \$4 million in 1984, it was assessed differently in the mind's eye of James Moore, who saw its championship golf course encircled by 250 comfortable condominiums—homes for the rich and retired.⁷⁶ For Moore, the Kanaka Valley acreage represented both gold and a rush.

James Moore formed Kanaka Valley Associates with only one limited partner, Sacramento businessman Henry Cavigli, who invested \$250,000—the only money in the partnership. As general partner, Moore was inked into their agreement for 67.5 percent of the profit when the golf course and the condos were sold. It is unlikely that Moore told his new best friend that he had a Central-American missionary buddy who had gotten the Inter-American Division to invest \$100,000 in the same property on different paperwork. And it would be surprising if Moore said anything to Folkenberg about his new arrangement with Cavigli . . . until February 1983.

So much magnanimity

Twenty-five years later, probably only James Moore, Robert Folkenberg and two or three surviving Inter-American Division officers know on what representation in February of 1983 Moore very subtly transferred almost half of his 67.5 percent share in Kanaka Valley Associates to the Inter-American Division's Southern Equipment.⁷⁷ The Inter-American Division now appeared to be in position to gain 32.5 percent of the margin, when the golf course crawled with duffers and the condominiums all had curtains.

Moore's generosity was profoundly ecumenical. At about the same time (early 1983) he transferred 35 percent of the Kanaka Valley Associates shares to Taverners Investment, Ltd., "a non-profit organization of the . . . Diocese of Rome." This must have pleased Taverner's chair, Vatican City resident and "press secretary of the Diocese of Rome," Monsignor Virgilio Levi⁷⁸—not so much for the green links and the condos, but because Taverners had been holding an unpaid note of Moore's for \$310,000 since sometime in 1980.

Now Moore's munificence had unequally yoked the Remnant and the Beast (along with Henry Cavigli) as the limited partners in Moore's Kanaka Valley Associates. Future profits from the sales of gracious living would have to be divided four ways. Moore had made himself the least of the foursome, retaining only one-half percent of the prospective gold the dream might one day disgorge.

But why?

The reason for his magnanimity soon became apparent: red-faced creditors were pursuing him, and by March 1984 several of them (owed collectively less than \$50,000) forced him into bankruptcy. By the time Moore's estate was settled in 1987, over 100 investors had brought approximately fifty lawsuits against him, among them the objects of his divided regard: the Adventists and the Catholics. The Inter-American Division's Southern Equipment claimed he owed them \$309,000, and The Vatican's Taverners claimed a whopping \$610,000.

Had they not been wearing blinders, the retinas of Robert Folkenberg and the Inter-American Division officers would have been at grave risk from the brilliant flares that rose in the dark sky of Moore's bankruptcy. Since 1980 George Brown had been division president; R. H. Maury had replaced R. R. Drachenberg as treasurer; Fred Hernandez had joined

Gabriel Castro in development and trusts; T. G. Sample was still auditing and Robert Folkenberg had joined the division insiders as field secretary.⁷⁹

When early in 1983 Moore contributed almost half of his 67.5 percent share in Kanaka Valley Associates to Southern Equipment, the Inter-American Division officers could not help realize (because of their \$100,000 investment in Kanaka Valley Investors, four years earlier) that Moore was accepting risk capital in the Kanaka Valley acreage by way of at least two different entities. Furthermore, if the Division's (Southern Equipment) claim of \$309,000 against Moore's bankruptcy estate was legitimate, it suggested that long after realizing Moore was not a "philanthropist who might benefit the Adventist mission" in Central America,⁸⁰ the division officers had allowed Moore into its coffers for an additional \$209,000. (Where the Inter-American Division got \$309,000 for Moore to spend is one of many unanswered questions.)⁸¹

If the length of the list of creditors the Inter-American Division had to join (and the size of their claims) did not relieve its officers of any illusions they may have harbored that James Moore was a legitimate real estate developer, they should have vanished when Moore was arrested in June of 1984 "on charges of grand theft and misrepresentation in the sale of securities" and jailed "in lieu of \$250,000 bail."⁸²

Differences in what the individuals (Moore, Folkenberg and the Inter-American Division officers) involved in the transfer of 32.5 percent potential equity in the Kanaka Valley property in 1983 (from Moore to Southern Equities) perceived the terms of the transfer to be may have figured in Moore's later lawsuit against Folkenberg, the Inter-American Division and others. Oddly enough, on March 1, 1999, as he addressed the General Conference Committee's annual Spring Meeting, advanced by two months to consider his fate, Folkenberg still "felt that Mr. Moore had a right to be angry . . . when," as the deposed president nuanced it, "an organization with which he was involved [a Vatican-based foundation] seemed to be deprived of an asset."⁸³

The fact that Southern Equipment filed against Moore's bankrupt estate in 1984 a demand for \$309,000 suggests that the Inter-American Division officers involved considered the shares from Moore a gift, rather than an obligation-offsetting asset or collateral (even if Folkenberg believed differently). Some time later, a Sacramento court would describe the transfer of Moore's shares to Southern Equipment and Taverners

Investment as “preferences and fraudulent conveyances”—implying that Moore anticipated his bankruptcy and parked his Kanaka Valley Associates shares with the two, out-of-country, faith-based organizations in a way that was unfairly detrimental to his other creditors.

In the case of Taverners, Moore was most deviously clever. The claim of \$609,000 by the nonprofit’s Vatican City director, Virgilio Levi, against Moore’s bankruptcy estate blinded what might otherwise have been inquiring minds (Moore’s creditors and the court) to the fact that James Moore was also an agent and officer of Taverners.⁸⁴

Given Folkenberg’s sense of obligation to Moore right on through the resignation of his General Conference presidency, it is easy to suspect that Moore had a private, unwritten understanding with Folkenberg (and perhaps the Inter-American Division officers as well) that a percentage of the shares Moore “gifted” to Southern Equipment would be kept ultimately for him and the day when the golf course and the condominiums would be real.

1986—a close call

While Moore was awaiting trial in 1986, Folkenberg had transferred from his Inter-American Division field secretary position, headquartered in Miami, Florida, to the presidency of the Carolina Conference housed in Charlotte, North Carolina.

By 1986, of those Inter-American Division leaders who had been part of the division team when Moore subtly conveyed to Southern Equipment so many of his Kanaka Valley Associates shares, only Brown, Figueroa and Maury (the three highest ranking I-AD officers) remained. And now, whatever they could some day be worth, those shares were desperately at risk. Northern Equities, a real estate finance corporation, was attempting to foreclose on the Kanaka Valley acreage. Northern had been holding a \$583,000 note secured by the property—a note that was in default with over \$84,000 owed in interest alone. If the court granted Northern’s foreclosure, the four Kanaka Valley Associates partners (Taverners, 34.5 percent; Southern Equipment, 32.5 percent; Cavigli, 32.5 percent and James Moore with .5 percent) would lose the land and, consequently, the golf course, the condominiums and the profits. (And Folkenberg might be General Conference president even today.)⁸⁵

For the sake of all the partners, there was an urgent need to place

Kanaka Valley Associates under bankruptcy protection. But even reduced to half a percent share, only James Moore (still general partner) appeared to have the legal standing to petition the court. Moore filed for chapter 11 on behalf of Kanaka Valley Associates on October 22, 1986, but was bitterly disappointed, as were his partners, when the court rejected his filing, because all of his assets—including his half-percent Kanaka Valley Associates share—were under control of his personal bankruptcy trustee.

Despite Southern Equipment's subordinate status as a limited partner in Kanaka Valley Associates, Inter-American Division treasurer Ramon Maury, in foredoomed desperation, filed similar paperwork a week after Moore's failed attempt and was also rejected. Then in March 1987, to the great relief of the four partners, the court, of its own initiative, placed Kanaka Valley Associates under bankruptcy and took charge of its reorganization.

Dream deferred

March of 1987 was a dark, discouraging month for James Moore. Even so, with the court's protection, hope appeared to have been snatched from the jaws of despair, because there was a buyer for the 1,300 acres who was "conditioning its purchase," as Moore put it in a January 1987 letter to the court, "upon me, James E. Moore, no longer being a party in interest in the partnership. The consummation of the sale of my 1/2% partnership interest in KVA would accomplish this goal," Moore wrote.⁸⁶ In March, Moore's personal bankruptcy trustee sold his final half percent share in the Kanaka Valley Associates to Moore's longtime attorney-associate, Elmer R. Malakoff, for \$10,000. Although the sale of the undeveloped property was not consummated, Moore had lost any legal ownership in the partnership and appeared to have admitted as much.

If that was not bad enough, "a jury in March convicted Moore of eight counts of grand theft"; and in April "he was sentenced . . . to four years in state prison." But the irrepressible Moore was soon "freed on \$300,000 bail pending his appeal."⁸⁷ This gave him time, not only to prepare his appeal, but time to devise a scheme to resuscitate his Kanaka Valley dream.

An angel appears/Carolina conflicts

Robert Dolan, the Santa Barbara-based businessman, must have seemed like an angel to Moore's erstwhile limited partners (the Inter-American

Division, Taverners, Henry Cavigli and even Malakoff)—especially when the court accepted Dolan’s offer, in April of 1988, to take over as general partner and provide a \$1.75 million transfusion to dope up Kanaka Valley Associates monetary hemoglobin. In the process, he bought out Henry Cavigli’s original \$250,000 interest, reducing the limited partners to three.

After the Sacramento bankruptcy court rejected Inter-American Division treasurer (and Southern Equipment officer) Ramon Maury’s bankruptcy petition (March of 1987), the division leaders appeared to weary of the somewhat taxing and politically messy Kanaka Valley Associates shares that—although the convicted felon seemed out of the picture—still had them rather equally yoked with the Vatican’s Taverners. Like James Moore four years earlier, the Inter-American Division officers were looking for a place to park their Kanaka Valley shares . . . off-property, so to speak, and for similar reasons: the division wanted to own the shares’ potential, without owning them in a legally obligating or politically compromising sense.

Comfortably settled by now in his Charlotte, North Carolina, executive suite, Folkenberg pitched his former Inter-America Division colleagues headquartered in Miami an attractive solution. As president of the Carolina Conference, he had become involved in 1987 with Sharing International, a nonprofit Tennessee corporation begun in 1974 by a group of Adventist laymen and chartered for “charitable endeavors in the United States and throughout the world.”⁸⁸ On the understanding that Folkenberg would see to it that when the golf course and the condominiums were sold, the profits from Southern Equipment’s shares in Kanaka Valley Associates would help fund the health and education needs of the Inter-American Division, its officers—President Brown, Secretary Figueroa and Treasurer Maury—yielded Southern Equipment’s KVA shares to Sharing International. (A former GC officer wrote in 1999 correspondence that the division “voted to convey its interest in Kanaka Valley” to Sharing International.)⁸⁹

While he was awaiting in 1988 the result of his eight felony convictions appeal, James Moore got religion—the Catholic kind; but this did not exorcise his lust for other people’s money and the Kanaka Valley possibilities that, despite his bankruptcy and looming incarceration, dogged his dreams. He approached Sharing International, no doubt by way of its influential new chief executive officer, and insisted that the

Adventist nonprofit provide funds to Catholic charities of his choosing. Because Sharing's Adventist principals were not willing to deal directly with Catholic entities, after procuring legal advice, the Tennessee charity created a for-profit corporation that it intended to use as a glove with which to handle the filthy lucre. The glove's incestuous title was Sharing International Barbados, a name that nodded to both its Tennessee relatives and its offshore, "Kadooment Bimshire"⁹⁰ address.

The \$8 million question

What leverage did the bankrupt and convicted confidence man have that would persuade Folkenberg and his Adventist friends at Sharing International to go to such lengths to contravene their inherited, religiocultural sensibilities? That is the most significant, unanswered question that hounds those who have investigated the Folkenberg resignation story—except, perhaps, for attorney Phil Hiroshima, Neils-Erik Andreassen's Ad Hoc Group, and the General Conference PREXAD and ADCOM members who may know the answer.

With Moore's shares entirely depleted through gifts and bankruptcy, what would induce the Sharing International team to entertain Moore's demand that it share its Kanaka Valley Associate stock with charities of Moore's selection?

It was pretty clear that the stock he had given Southern Equipment and Taverners was, ethically (even legally) speaking, hardly his to give: he had gifted it to avoid paying the many people to whom he owed so much money—what the court called "preferences and fraudulent conveyances."⁹¹ Posed another way, why would Robert Folkenberg and his Sharing International cohorts take great pains to accomplish a complicated, potentially expensive and distasteful favor to a convicted fraud who owed them \$309,000? (And none of this even began to ponder the unsanctified ethics of warehousing stolen assets.)

When Sharing International Barbados was created in 1989, James Moore conveyed to it all Kanaka Valley Associates shares held by his Catholic friends at Taverners Investment.⁹² (His ability to do this was consistent with the ruse he and Virgilio Levi played in 1983, when they parked his KVA stock with Taverners in anticipation of his 1984 bankruptcy.) This transfer may explain why on August 18, 1989, on behalf of Sharing International, Dolan advanced a \$65,000 finders fee to Moore.

Now Sharing Barbados, with Robert Folkenberg and friends at its helm, appeared to control all but one-half percent of the original 67.5 percent of the Kanaka Valley Associates shares once owned by James Moore. The Sharing Group, as it would come to be called, was by far the largest limited partner of Kanaka Valley Associates. But it must be remembered that Southern Equipment and Taverners once had claims against Moore's estate for \$309,000 and \$610,000 respectively. Beyond the Kanaka Valley Associates assets, did Sharing assume Moore's debts to Southern Equipment and Taverners (and perhaps others) as well—nearly a million dollars combined?⁹³

What kind of Adventists were willing to join the Carolina Conference president in what from this perspective appears a fool's errand?

Sharing's secretary was award-winning Andrews University professor of sociology Duane McBride (with a gift for acquiring extramural funding—government or private),⁹⁴ who was tasked by Neal Wilson in 1989 to “work very closely with designated individuals at the General Conference” in assessing the performance of General Conference workers. They were “to determine whether, with changing conditions and needs, the structure and leadership philosophy are still effective in achieving the goals and mission of the organization.”⁹⁵ One of those “designated individuals” was Carolina Conference—and Sharing International—president Robert Folkenberg.⁹⁶

Terry Carson—whose brother, Walter, had been serving under Warren L. Johns in the General Conference Office of General Counsel since 1976—was treasurer.⁹⁷ Later developments in the story suggest that behind the scenes Walter Carson played an influential advisory role to Folkenberg and Sharing,⁹⁸ as the Tennessee group finessed an arms-length way to share assets with what they believed to be the Beast of Revelation 14: 9-12.⁹⁹

Ben Kochenower—a graduate of Southern College and a Gaffney, South Carolina-area, CPA firm partner—was a member of the Carolina Conference Executive Committee during Folkenberg's conference presidency.¹⁰⁰ He handled some of the formal corporate paperwork for Sharing; and given the belief that bean counters are by nature cautious, Kochenower may represent a caveat against stereotyping.¹⁰¹ He was, and by some accounts may still be, the professional who annually prepares Robert Folkenberg's personal income tax returns.¹⁰² His statements following Folkenberg's election

to General Conference presidency in 1990 suggest that he was also his obsequious acolyte.¹⁰³

Despite red-book proscriptions regarding certain performance arts, it was this Adventist quartet, led by the big baritone, that danced to Moore's pipe—creating the for-profit Sharing International Barbados, ostensibly to transfer portions of Kanaka Valley shares from the island corporation to Moore's designated Catholic charity. Only the Sharing insiders themselves know when McBride, Carson and Kochenower began to realize just what a radioactive property Folkenberg had helped them acquire.

As 1989 approached, and as the decision on his felonies appeal neared, James Moore either believed, or pretended to believe, that because he once owned the Kanaka Valley Associates shares that he conveyed to Southern Equipment and Taverners Investments in 1983, Sharing International—for some reason—now owed a goodly portion of its Kanaka Valley Associates shares to him or his designees.

Behaving as though Moore was correct, on October 9, 1989, Sharing International agreed with their Kanaka Valley partners that 5 percent of the “net sales receipts” realized from development and sale of the Kanaka Valley property would be donated to the Bishop of Sacramento for the benefit of the Cathedral of the Blessed Sacrament.¹⁰⁴ A month later (November 1989), the Sharing International Tennessee quartet transferred all of the Kanaka Valley Associates shares it had acquired (from Southern Equipment and Taverners) to Sharing International Barbados. This act made Sharing Barbados the predominate limited partner of Kanaka Valley Associates, along with Malakoff and his sliver and, no doubt, a group of silent partners (creditors).

Kanaka Valley Associates angel, Robert Dolan, resolved the Northern Equities foreclosure problem by purchasing Northern's note for \$732,000. He also loaned the partnership \$870,000, and paid \$150,000 to several other unsecured creditors. This \$1.75 million infusion of capital made Dolan Kanaka Valley Associates new general partner, and the potential recipient of 55.83 percent of the potential profits of the links and the condos about which James Moore continued to fantasize (now from prison), as the 1990s arrived. Was it ever to appear, the remaining 44.17 percent of prospective profit would be divided among the limited partners: the Sharing group and Malakoff with his sliver. But whether there ever would be profit, Robert Folkenberg would see both triumph and tribulation.

While Moore rested

With the dawn of the 1990s, it appeared that the fortunes of the two friends were diverging. Moore began in December 1989 (what was intended to be) a four-year prison sentence,¹⁰⁵ and Folkenberg could not have imagined that in seven months he would be General Conference president. In the meantime he continued to behave as if he either was beholden to Moore or was a friend closer than David to Jonathan.¹⁰⁶

Three months after Moore's sentence commenced, Folkenberg gave Moore's attorney \$53,000 for distribution "to the investors/victims" of his client. In bringing the sum to its attention, Moore's attorney reminded the court that "restitution is a significant consideration in the sentencing process." "Had Sharing International been able to repay some of the monies owed to Mr. Moore" before sentencing, he argued, "there is a significant chance that the sentence given Mr. Moore would have been less."¹⁰⁷

The defense attorney's explanation for how the \$53,000 became available is interesting. Citing "earlier obligations" to James Moore, he explained that the ability of "the two corporations which joined to form Sharing International: Southern Equipment Company, Ltd. and Taverners Investments, Ltd.," to pay his client had been "compromised, to the sum of \$250,000 and 10% per annum interest."¹⁰⁸ But "It had been established at trial," he continued, by "the transfer of portions of the Kanaka holdings to those two corporations and the promissory notes and deed of trust executed by the corporations . . . that the value of those obligations [Sharing to Moore] were far and [sic] excess of that amount [\$250,000]."¹⁰⁹

"While the [incomplete] Kanaka Valley project did not sell as it was scheduled to do in November of last year [1989]," he continued, "approximately \$300,000 of non-refundable deposits were made by the prospective buyer and all parties," he added, "are of the belief that" Kanaka Valley Associates "is going to be financially rewarding to all." With this he concluded, "Sharing now has the funds to be able to at least in part honor their obligation to James E. Moore."¹¹⁰

Both the size and legitimacy of the claimed obligations would have been disputed, especially since the two companies, between them, years earlier had petitioned Moore's bankruptcy estate for nearly \$1 million. Whether Sharing owed Moore or not, it is doubtful that the Adventist

group would have gotten more than \$129,000 of the \$300,000 forfeited by the failed purchase agreement—a figure consistent with what was then Sharing’s 43 percent of KVA shares. And the \$250,000 (plus interest) penalty for accepting “preferences and fraudulent conveyances” lingered expensively in the form of a loan from Robert Dolan. But Folkenberg was not interested in the potential publicity that a dispute of Moore’s claims would attract.

Although the court was not impressed by the arguments in Moore’s petition, three months later, the nominating committee and the General Conference session delegates were sufficiently taken with the Carolina Conference president to put him in charge of what Seventh-day Adventist founding prophetess Ellen G. White once designated “God’s highest authority on earth.”¹¹¹

Although he probably knew nothing of Folkenberg’s seedy associations, *Adventist Review* editor William Johnsson nevertheless “was stunned” by the nominating committee’s choice for a new world church leader. Expounding on his astonishment, he declared that if he had been asked, before the session began, “to compile a list of 50 names for the General Conference presidency,” Robert Folkenberg’s name “wouldn’t have appeared.” But, if for no other reason than the length of the odds, Johnsson felt “that God broke through at the fifty-fifth [General Conference] session,” by way of “changes . . . so unexpected, so major . . . that they could not have been engineered by merely human means.”¹¹² *Review* news editor Carlos Medley seemed to concur: “Most people on the Nominating Committee were convinced that the Lord had taken hold of developments,” invoking one leader’s statement “reflecting the thinking of many others: ‘This was truly a providential event.’”¹¹³

Summing up the 1990 Indianapolis session, Johnsson assumed a prophetic posture: “Leaders will long remember its message,” he wrote; and then the fortune-cookie close: “Be prepared for surprises!”¹¹⁴

However staggered Robert Folkenberg may have been by his late Friday, from-out-of-nowhere election, he recovered quickly enough to achieve a mandate for passage of the 20 percent downsizing of the General Conference staff recommended by the McBride study. But his effort to remove General Conference auditing service director David Dennis—while initially approved by the nominating committee—was

rejected by the delegates in plenary session.¹¹⁵ Folkenberg had employed the word “immoral” in describing to the nominating committee an unusually candid letter the auditor-in-chief had written to Neal Wilson, strongly protesting the political maneuvering that had been used at the 1988 autumn council to vote (what Dennis later termed) “virtually unlimited salaries to administrators and business office personnel for the church’s numerous hospitals in the United States.”¹¹⁶ (See chapter entitled, “Evergreen.”) The auditor’s letter copied “GC & NAD Officers” and “Other interested parties.”¹¹⁷ And so it must have galled Folkenberg to witness David Dennis, on the fourth full day of the session, “representing James White . . . walking down the center aisle singing an early Advent hymn.”¹¹⁸ The new president’s inability to oust the no-nonsense auditor was a failure that he soon regretted.

The mold breaker

“Who is this man who breaks the mold in so many respects?” William Johnson asked, clueless, within two days of Folkenberg’s election.¹¹⁹ Before the Indianapolis conclave was complete, the mold breaker had an arrangement for unnamed, private donors to provide “courtesy payrolls” for his wife and the wife of newly-elected North American Division president Alfred McClure—arrangements that Folkenberg later wrote were created “‘on the fly’ in a total of about 10 minutes,” “so the women would have the option to travel with their husbands.”¹²⁰

Because newly-elected General Conference treasurer Donald Gilbert advised Folkenberg that the arrangement did not conform to church policy, with the assistance of Columbia Union president Ronald Wisbey, the anonymous donations were laundered through the Columbia Union “worthy student” fund. Some months later, the General Conference annual audit of the Columbia Union flagged the unusual item. Unsatisfied with the Columbia Union administration’s response to the auditor’s concerns, in May 1991 David Dennis’ office released to Wisbey’s 60-member executive committee a copy of the auditor’s report that had proved ineffective earlier with the union’s officers. Explaining that “salaries for the presidents’ wives and the interest-free [\$140,000] mortgage loan to McClure did not conform to denominational policy,” the report warned that the union’s tax-exempt status could be jeopardized if the anonymous donors filed deductions for their contributions to the

Columbia Union education fund that were redirected to the wives and the mortgage.¹²¹

A month later, at the June 20, 1991, meeting of 62 General Conference executive committee members, former president Neal Wilson and attorney Mitchell Tyner, associate director of both the General Conference department of public affairs and religious liberty, played significant roles in resolving the “courtesy salaries” matter. Wilson told the committee he had labored and prayed at length with Folkenberg the previous night. The result was a letter (from Folkenberg to General Conference treasurer Donald Gilbert) read to the executive committee that did not sound entirely chastened, but nevertheless surrendered Mrs. Folkenberg’s monthly stipend.

No doubt referencing the man he had failed to remove from heading the General Conference auditing service, Folkenberg’s letter expressed “surprise and dismay when one of our own staff seemed intent on painting with sinister hues that which was done in the light of day.”¹²² Nevertheless, he asked “the Columbia Union to discontinue the current assistance being offered to my wife.”¹²³

Tyner delivered the GC Executive Committee a fifteen-minute stem-winder that challenged Folkenberg and McClure to ponder the ethical gravity of their acts—behavior that Tyner assured the committee “would never pass the ethical standards of the United States judiciary or Congress.”¹²⁴

When people are under financial strain, Wilson told the committee, “money clouds judgment.” But given his continuing secret relationship to James Moore, Folkenberg appeared impervious to what Wilson also said about “the problems raised when things are not fully disclosed.”¹²⁵ Neither did he see the risk of potential conflicts of interest that Tyner spelled out: between the interests of the church and that of the donor; between the world church and the Columbia Union; between even the interests of Ron Wisbey (who had brokered the contributions laundering) and other church leaders.¹²⁶

Probably none of the three score attendees to the June 20 executive committee meeting could have imagined the extent of the secrecy, conflicts of interest and judgment-clouding financial concerns in which their General Conference president was already engaged and—with the release from prison of James Moore less than six months away—would continue to pursue.

Not even a remnant of the Remnant will realize that no matter how important or historic the matter considered by the General Conference Executive Committee, unless it is listed formally on the agenda provided in advance of a meeting, it is unlikely to appear in the subsequent official minutes.¹²⁷ (Although the “courtesy salaries” issue may not have been on the prepared agenda, the jump in attendance from the previous week’s forty to 61, and back to a more typical thirty-five the following week, suggest it was widely known in advance that the item was to be part of the June 20 agenda.)¹²⁸ Consistent with that little-known subtlety, and despite the fact that they were by far the most profound items of business for the week, there are no references to the courtesy salaries for the two presidents’ wives, or for Al McClure’s interest-free home loan, to be found in the ten pages of official minutes recorded for the June 20, 1991, meeting of the General Conference Executive Committee—which at their conclusion are attested to by the typed names of the chairman, secretary and recording secretary, signed with the signature of “W. Carson Esq.,” and voted to be true and accurate the following week by thirty-five mostly ordained ministers of the Gospel, twenty-nine of whom had attended the previous meeting.¹²⁹

When he was elected in July of 1990, Folkenberg had removed himself from two apparent conflicts of interest—the presidencies of Sharing International Tennessee¹³⁰ and of Sharing International Barbados.¹³¹ But this formality in no way disentangled him from the web he had woven with the Kanaka Valley Associates shares he had brought under the control of the Sharing group in 1987 and 1988.

Another angel

Early in 1990, the year of Folkenberg’s election, Kanaka Valley Associates acquired another angel—a star that appeared brighter even than Robert Dolan, who had depleted most of his available financial resources in his effort to pay off debts that encumbered the property and the association’s partners so that banks and various independent contractors would be willing to perform or complete the services for which they had been hired. Needing more than his own \$ 1.75 million to complete the task, in 1990 Dolan recruited Canadian architect/developer Peter Wardle—and his loan of \$2 million—to the Kanaka Valley partnership.¹³²

Sometime, most likely in 1990 or 1991, Wardle loaned Sharing

International Barbados \$738,896.40.¹³³ While no available records specify the purpose of such an enormous loan, or what encumbrance Sharing assumed to acquire it, by the first half of 1992 a possible purpose for its acquisition was under way.

The President, the parolee and the fixer

In 1992, less than two years after Peter Wardle entered the Kanaka Valley partnership, James Moore was a free man; and he picked up immediately where he'd left off—both with the Kanaka Valley Associates and with his now much more influential friend. Claiming to be the owner of the Kanaka Valley Associates shares that Peter Wardle (now KVA general partner) had understood to be held by the limited partner he knew as the Adventist (or Sharing) Group, Moore began harassing Wardle for a portion of the \$2 million he had injected into the partnership. Moore visited the Kanaka Valley property's neighbors and claimed ownership in the property development partnership while simultaneously asserting that Wardle—the general partner—was merely an architect. But it was Moore's post-prison work with long-time General Conference office of general counsel staffer Walter Carson¹³⁴ that suggests a purpose for the \$739,000 loan from Wardle to Sharing.

Shortly after Moore's January 1992 return to civilian life, Carson, in his Bruce Lindsay-like role,¹³⁵ began to conspire with the parolee and with the Chicago law firm of Sonnenschein, Nath & Rosenthal to establish the Elder and Mrs. Robert S. Folkenberg Trust (the Folkenberg Trust or trust). Rather than make use of Neal Wilson's private and public advice, and the political opening he provided for the possibility of a policy change that would legitimize salary supplements for those who shoulder the all-consuming demand placed on world church chief executives and their families, the fledgling president opted for stealth.¹³⁶

Burned as Folkenberg had been by the exposure of the "secret donors/courtesy salaries" affair a few months earlier, Carson took great pains (in his dual relationship at the office of general counsel and personal counsel to his boss and client) to construct a trust that would not be easily discovered.¹³⁷ Consequently, it was a trust in search of an obscure, offshore address. Several facts about the trust, and the attempt to endow it, make it a candidate at least for the ultimate disposition of Wardle's \$739,000 loan.

By June of 1992, James Moore was creating a charitable foundation in the Channel Islands—a notorious tax haven off the English coast—for the purpose of funding the Folkenberg Trust to the easily whistled (and familiar) tune of \$700,000. As trustee of the Folkenberg Trust, it was Walter Carson’s responsibility to invest the trust’s funds and make “distributions at least quarterly to Elder Folkenberg.”

Two years later (September 8, 1994), whether it was because he was looking for a way to route funds circuitously from Sharing Tennessee to the trust or because he was trying to augment the trust’s balance, Carson submitted a proposal to the board of Geometra Inc.—a “land development, agriculture and business syndication” company of which Moore was “an Executive Committee Member.”¹³⁸ In the proposal, Carson mapped a plan to open three separate accounts in a foreign bank under the name “Foreign Geometra, Inc.,” in a country that would provide “confidentiality on banking matters and financial affairs.” Carson’s scheme designated directors of Sharing International Tennessee the authority

to (1) pay outstanding legal and administrative expenses of Sharing International Tennessee; (2) to pay outstanding legal fees of the Chicago, Illinois firm for setting up a trust for the benefit of; (3) to fund incidental expenses related to the continued operation of Sharing International Tennessee and such additional expenses incurred in joint ventures or business dealings with or on behalf of Geometra, Inc., USA; and (4) to provide funding of the _____ Trust.¹³⁹

However specific and useful the four authorities designated by Carson to the directors of Sharing International Tennessee might be, they appear to clash with the “charitable endeavors in the United States and throughout the world” for which the Adventist nonprofit corporation was chartered¹⁴⁰—unless the Internal Revenue Service was willing to consider the Robert S. Folkenberg Trust the charity its would-be beneficiary seemed willing to believe he was.

Another potential difficulty with Carson’s proposal was that it had the feel (if it was not in fact) of a *quid pro quo*; because a month earlier, on General Conference presidential letterhead, Folkenberg had written to

“Archbishop Desmond Tutu”¹⁴¹ saying “[t]hat the hand of God has been manifest” in South Africa’s peaceful transition to democracy—“a tribute,” he added “to the influence of dedicated servants of God, such as yourself.” Folkenberg then turned abruptly from the obsequious to the practical: “James E. Moore . . . recently visited your office,” he wrote, and referred to Moore’s “plans to offer a heat/light generating device for manufacture in South Africa.” Folkenberg added, “The humanitarian potential of such an initiative caught my attention.”¹⁴²

While it cannot be proved that Folkenberg’s letter to Desmond Tutu was an inducement for Moore to fund (or further fund) the Folkenberg Trust, it seemed a dubious use of his General Conference presidency.¹⁴³ And although the information that would establish or disprove that any or all of Wardle’s \$700,000 loan to Sharing International Barbados ended up in the Folkenberg Trust is not accessible, had Sharing International Tennessee complied with the transparency required of nonprofit corporations by law through the annual filing of form 990, what Ben Kochenower, Terry Carson and Duane McBride did with the \$700,000 they borrowed from Peter Wardle might be less open to speculation.¹⁴⁴

The road to Utrecht

It was December 1994, with the summer 1995 General Conference quinquennial session in Utrecht, Holland, less than seven months away; and Robert Folkenberg was preparing organizational recommendations that would expand and consolidate the control of the General Conference Executive Committee, significantly reduce the proportion of lay members on that committee and noticeably increase the power of the union presidents.¹⁴⁵ That same December, the General Conference president fired David Dennis, the eighteen-year veteran director of the world church’s auditing services and thorn in Folkenberg’s flesh. Terminated immediately, Dennis’ salary and benefits were continued until six days past Christmas.¹⁴⁶

There would be no floor fight over David Dennis at the 1995 (and 56th) General Conference session. But there would be a seven-year, \$6 million legal battle waged on Folkenberg’s behalf by the General Conference Office of General Counsel—and three outside legal teams subcontracted by the OGC—to make certain the General Conference president was never deposed and that David Dennis would never get his

day in court. The seven years and \$6 million began on February 22, 1995, when Dennis filed his \$4 million lawsuit against Folkenberg and certain other church administrators alleging defamation, breach of contract and wrongful discharge from employment.¹⁴⁷

At Utrecht during the summer of 1995, in an “unusually expeditious process, the 212-member nominating committee” brought Folkenberg’s name “to the general assembly of delegates in less than two hours.”¹⁴⁸ Not only was Folkenberg returned to office, but he also was able to achieve approval for most of the executive–power–expanding agenda that he brought before the session.¹⁴⁹ But he returned to Silver Spring to learn that his victory at Utrecht was in jeopardy. He had been named—along with James Moore, Elmer Malakoff and others—in a RICO lawsuit filed by Huston Environmental Systems, demanding \$100 million in damages; and Robert Dolan’s bankruptcy trustee was shopping for “special counsel willing to pursue the estate’s causes of action against the Sharing Group on a contingent fee basis.”¹⁵⁰

In February 1994, more than a year before Utrecht, James Moore and attorney Malakoff petitioned a court to force Robert Dolan into bankruptcy; but they did not serve any notice of this action with Dolan—a “lapse” that ruined his credit and, consequently, his ability to transact business.

The road to Dolan’s bankruptcy was short and poorly paved. By 1993 the Kanaka Valley partners were all at each other’s throats. In late 1993 they included Peter Wardle, general partner; and limited partners Robert Dolan, the Sharing Group (holding Southern Equipment and Taverners Investment shares), John and Virginia Markle (new investors of \$161,000) and Elmer Malakoff (with his partial share).

The continued legal meddling of James Moore exacerbated the complexity created by years of snarled partnership transactions and the addition and loss of partners, lawsuits and judgments. Attempting to find resolution and clarity, in October of 1993 all Kanaka Valley Associates partners signed a complicated agreement that contained several interesting items:

- Despite the fact that he’d conveyed his ownership of all but one-half percent of his KVA shares to the Inter-American Division (by way of Southern Equipment) and Taverners Investment in 1983, and had

sold the remaining half percent at the conclusion of his bankruptcy in 1987, James Moore, who had been posing as a partner ever since his release from prison, agreed—for \$276,000—not to “interfere with, oppose, adversely affect, inhibit, impede or influence the development and sale of the KVA property.” In other words, the Kanaka Valley partners paid James Moore more than a quarter of a million dollars to go away. (The payment included \$10,000 for Walter Carson.)¹⁵¹

- Sharing Barbados, in the same October 1993 agreement, relinquished its interest in the partnership with KVA in exchange for two “nonrecourse secured promissory notes” of \$2 million and \$6 million that were to be paid as the development turned a profit.
- Robert Dolan’s part in the agreement obligated him to make \$466,000 in payments to a bank and other parties. And although Dolan paid at least \$210,000 of his obligations promptly, he received none of the \$900,000 that he believed—and subsequent events support—was owed him by Moore and the Sharing Group.

Seeing Dolan strapped for cash, Moore and Malakoff forced him into bankruptcy with the intention—Dolan believes—of acquiring his Kanaka Valley shares on the cheap. But it was not long before Dolan’s bankruptcy trustee realized that his client was the victim of bad faith. (Ironically, James Moore’s effort to disenfranchise Dolan would have unintended consequences that the “Sage” did not anticipate.)

Dolan’s bankruptcy trustee was preparing to file against Folkenberg, Moore and the Sharing Group “for breach of contract, conversion, negligent representation, fraud, restitution, rescission, and an accounting, seeking damages, punitive damages, and injunctive relief.”¹⁵² But even without a Dolan suit, Folkenberg knew that if an enterprising *Sacramento Bee* reporter, culling recent court filings (summer 1995) for stories, recognized his name in the Huston Environmental Systems action, his presidency would end early in its second term.

Up, up, but not away

In July of 1996 Mrs. Virginia Kettering and Frank Perez, president of Kettering Medical Center, arranged for the troubled church president

what he called “one of the high points” of his flying life—a flight in a Wright “B” Flyer, America’s first production and first military aircraft.¹⁵³ The antique Flyer is a thirty-one-foot long biplane, has a wingspan of forty feet and weighs 2800 pounds. A 205-horsepower engine provides a 60-mile per hour cruise at which the Flyer can range 100 miles with a two-man crew. Folkenberg flew the replica probably at Dayton Wright Brothers Airport, where \$150 buys an orientation ride reprising the Wright Brothers’ original flights over Huffman Prairie.¹⁵⁴ It may have been one of the last joyful moments of his second presidential term.

Terrified that his shadow life would become public, Folkenberg, with the help of Carson and the cooperation of the Sharing Group, decided to divest themselves of the \$8 million in Kanaka Valley Associates notes they had gone to such lengths to preserve. It seemed the only way to avoid the public revelations that a litigation war with Kanaka Valley creditors and partners would guarantee.

Even with that frustrating strategy, Folkenberg must have realized that it was only a delaying tactic. If the bankruptcy trustee’s assessment of the Kanaka Valley project’s potential was even close to the mark, in the August 1996 surrender of both notes, Folkenberg and his associates paid a heavy price to hang on to a little more than two additional years of his second term. Gross sales for the “1,373 acres divided into 250 executive lots,” was “expected to be \$33,000,000.00, of which \$11,000,000.00 are expected to be profits.” The money was projected to begin arriving in 2002, with the entire \$33 million banked by 2006.¹⁵⁵ The two Sharings appeared to be in line for \$8 million by the end of Folkenberg’s third term. But it was not quite that simple, or that good.

On close examination, Dolan’s bankruptcy counsel noticed that the two 1993 notes (for \$2 million and \$6 million) “mainly establish a series of priorities of payments, detailing who will be paid how much when KVA realizes profits from the sale of lots in Kanaka Valley. The substance belies the form,” he wrote, “inasmuch as it is not Sharing, the formal promisee, who is to be paid, but a series of others, notably Robert Dolan, the debtor in this case, who under the agreement is to receive approximately \$900,000.00 as the bulk of the early proceeds.”¹⁵⁶ But even if two or three Dolans were lined up ahead of Sharing, several million dollars still would accrue by 2006 to the Adventists at Sharing, or so they seemed to have thought.

Even as Kochenower and Carson arranged to cede the Sharing Group's \$8 million worth of promissory notes to Dolan, Folkenberg had to know—along with Carson and, to a lesser degree, the other Sharing principals—that “Sage” Moore was about to lose his composure.

Even if Taverners' Kanaka Valley shares were not Moore's, or Vergilio Levi's (in whose Taverners Investments Moore first parked them in 1983), they were not Sharing's either. The Kanaka Valley notes had become pieces in a game of dubious ethical merit: rather like finders keepers, losers weepers. But having schemed and dreamed since 1979 about the executive lots and the golf course, and having served two years in prison for the shares (as he probably saw it), Moore was not yet prepared to weep—or, like Gollum (Sméagol) with his ill-gotten ring, to part with his “precious.”

Unreconciled

Unfortunately for the Sage and (indirectly) for Robert Folkenberg, neither James Moore nor his expedient attorney, Elmer Malakoff, had an aerial view of the dominos when they decided in February of 1994 to force Robert Dolan into bankruptcy. Rather than finding themselves bidding at a bankruptcy court auction for Dolan's Kanaka Valley Associates shares, they found themselves facing judgments.

By mid-1994 both Dolan's bankruptcy trustee and the court believed that there had been a miscarriage of justice. Dolan's bankruptcy was converted to a Chapter 11, and his attorney began pursuing his enemies. By late 1995, Malakoff, concerned with his community and professional standing, had settled one judgment with Dolan for \$21,000; and Moore, under default judgment for \$53,681, was playing keep-away again—this time with Dolan's legal team.

Worst of all for Moore, the dominos he had set to tumbling were about to hit Folkenberg. Robert Dolan filed suit against Folkenberg, McNilus, and Does,¹⁵⁷ claiming that Folkenberg had failed to cause McNilus to pay Dolan \$900,000 (and certain other payments) that had been promised for the purpose of inducing Dolan to relinquish substantially all his profit expectations from Kanaka Valley Associates.¹⁵⁸ The case was pregnant with potential infamy for Folkenberg.

Following the September 21, 1995, Huston Environmental Systems RICO filing against Moore, Malakoff and Folkenberg (as an individual and as General Conference president), Walter Carson had urged that

Huston be met with a counter claim: that Folkenberg had washed his hands of Moore long ago and could not be held responsible for Moore's actions. It was also Carson's opinion that Rule 9011 sanctions could be recommended to great effect.¹⁵⁹

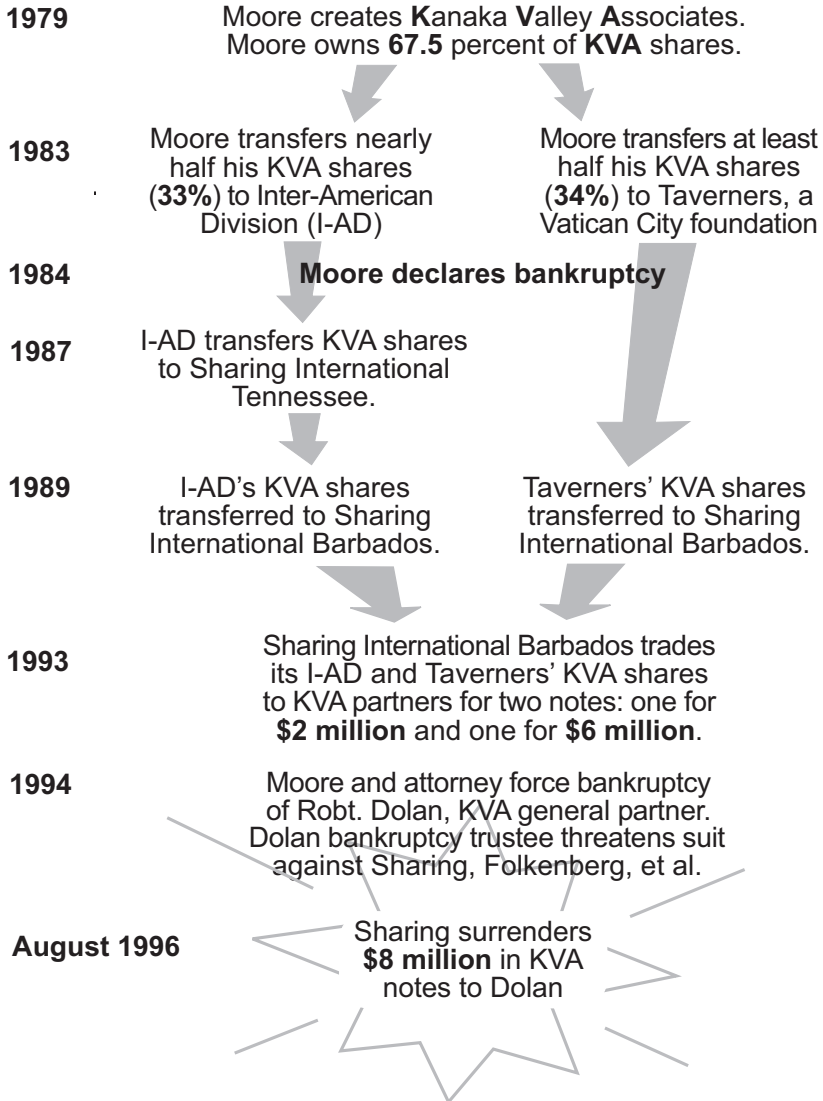
But facing Dolan's pending actions, Folkenberg persuaded Sharing to excise the offending member; and by sometime in late August of 1996, Carson had tendered Sharing's offer to relinquish to Dolan any and all claims to the \$2 million and \$6 million Kanaka Valley notes. The Sharing-Dolan Settlement Agreement, signed by both Kochenower and Carson, surrendered all of Sharing's interest in the Kanaka Valley development to Robert Dolan—an action that put all but a half percent of the KVA shares Moore had once owned in Dolan's possession. (For a succinct overview of the path taken by the KVA shares from 1979 to 1996, see facing page.)

Moore reacted immediately to this worst-case scenario. Having filed as a creditor in Dolan's bankruptcy, Moore wrote the court on September 7, 1996, objecting to Dolan's Motion to Approve Settlement in which "Sharing International Barbados has agreed . . . to relinquish its interests in certain assets of the estate." Having learned from Folkenberg the day before (September 6) that Kochenower had signed the settlement, Moore wanted the court to know based on his "personal knowledge that BEN KOCHENOWER is not an officer, director or authorized agent of Sharing International, Barbados." Claiming himself to have "created Sharing International, Barbados in the late 1980's," Moore named a married couple—the wife of which, he insisted, was the only person who "has authority to act on behalf of the corporation."¹⁶⁰

Moore had contacted Walter Carson a few days earlier, claiming to be "a director, vice chairman, and agent of an organization owning 85% of the stock of Sharing Barbados," Carson informed Dolan's bankruptcy attorney by letter on September 6. Moore "promised certain consequences if I failed to bring this information to . . . the attention of the Bankruptcy Court." Carson said he was writing "this letter as a direct result of those promises . . . in an attempt to" clarify "the relationship between Sharing Tennessee and Sharing Barbados." But he was not much help.

Although Sharing Barbados was now seven years old, and Kanaka Valley shares had bounced between it and Sharing Tennessee many times, and Peter Wardle had loaned it \$738,896, and the government had nicked it for \$250,000, Carson wrote: "I cannot vouch for the current legal

Path of KVA shares



status of Sharing Barbados.” He had been “told that a first organizational meeting was held,” but he didn’t “know whether shares were issued; or what assets . . . it may have beyond the [\$2 million and \$6 million] notes referenced in the Kanaka Valley Agreement of [October 1,] 1993.”

Carson had been “informed that Sharing Tennessee has a 15% interest in Sharing Barbados . . . that was to be evidenced by issuance of 15% of the voting stock of Sharing Barbados”—a transaction that Carson added, “to the best of my knowledge, has never taken place.”

According to Moore, Carson continued, the balance of Sharing Barbados stock (85%) “is controlled by a ‘foundation’ whose stock is in turn owned by another not-for-profit, ‘religious organization’ . . . of which Sharing Tennessee has no control, interest, or involvement.”

Carson was relaying to Dolan’s attorney James Moore’s assertion that the Taverners Kanaka Valley shares that Moore had placed with Sharing Barbados at its formation in 1989 had been assigned subsequently (in some sense) to Vicariatus Urbis, another Catholic-related entity, also headed (as Taverners was) by Virgilio Levi of Vatican City.

But whatever the relationship between Sharing Tennessee and Sharing Barbados (and regardless of the Moore-Levi arrangements), Carson reiterated, “the intent of The Sharing Group, pursuant to the Settlement Agreement [with Dolan’s Bankruptcy Estate], is to give up that share [Tennessee’s 15%], and whatever other interest, or expectation, it might have arising out of the Kanka Valley project.” Clearly, Carson concluded, “we cannot convey more than we have, own, or control. Our signature on the Settlement Agreement, obviously, affect and pertain only to Sharing Tennessee’s interests and expectations from the Kanaka Valley project as they appear in the various documents referenced herein.”¹⁶¹

Although James Moore attached a copy of Carson’s letter to his September 7, 1996, Objection to the Settlement Agreement, the settlement was approved over his protest. Why? Because regardless of Sharing Tennessee’s “interests and expectations from the Kanaka Valley project,” it was Sharing Barbados that in some legal sense held the Kanaka Valley Associates notes of both Taverners Investment cum Vicariatus Urbis and Southern Equipment; and it was Kochenower and Carson who had signed away any interest in the entire \$8 million-worth of nonrecourse notes.

Subsequently, Moore’s motion to have the settlement set aside was

denied. He then appealed the order to deny his motion to set aside—arguing that the Adventist owners of Sharing signed the settlement unaware that they had no authority to do so without the concurrence of Vicariatus Urbis. Dolan’s bankruptcy attorney responded, saying he had “attempted, so far without success, to locate and communicate with the principals of Vicariatum [sic] Urbus.” And regarding a January 2, 1997, deposition in Santa Barbara he wrote: “[I]t did not prove possible to get any information from [James] Moore concerning the names and addresses of the responsible persons of the elusive entity Vicariatum [sic] Urbis, which, according to Moore, is now one of the principal owners of the Kanaka project.”¹⁶²

Over the years, James Moore had acquired—and spent—immense sums of other people’s money that he acquired by offering them a slice of the golf-course-and-condominiums dream that was hardly his to offer. And even though his tenuous link to the property finally had been cut, he continued to “work” the land, so to speak, indirectly.

In another irony of sorts, it was his mistake in bankrupting Dolan (which cornered Folkenberg into persuading Sharing to divest itself of the Kanaka Valley notes) that suggested to Moore another opportunity. A man of new (and perhaps cynically) found faith, Moore might have parroted Maria von Trapp: “When God closes a door, He always opens a window somewhere.”¹⁶³

Extorting President Folkenberg

Clear now on just how much Folkenberg and his Sharing associates were willing to give up to avoid the publicity of a lawsuit, Moore began demanding of Folkenberg compensation for what he felt deprived of by the Sharing-Dolan settlement. (Of course the power of Moore’s pressure was a direct function of what to this day perhaps no more than forty Seventh-day Adventists understand the church president had to hide.) Moore began calling Folkenberg several times a week. That the two men spoke frequently by phone, and at length, was made clear by a *Los Angeles Times* report that Moore possessed “several dozen hours of taped telephone conversations” between him and the General Conference president covering the years 1994-1998.¹⁶⁴

There was correspondence as well. “I want some income stream Robert and I want it now,” Moore wrote Folkenberg in the fall of 1997.

“I don’t want to be made [to] feel like a heel [sic] with my business associates due to non timely payments . . . due to mishandling on the part of [Walter] Carson through the settlement agreement [Sharing made with Dolan] for your benefit.”¹⁶⁵

There was little doubt that the settlement was made to protect Folkenberg. Dolan’s bankruptcy attorney informed the court in August of 1996 that although “Robert S. Folkenberg is not a signatory of the proposed settlement,” he is “a third party beneficiary of the proposed settlement, inasmuch as the estate agrees to relinquish claims against him.”¹⁶⁶

But with the Dolan threat settled, Moore’s extortion of the denomination’s president was based on his own, very effective threats to sue. Folkenberg claims that his effort to placate Moore brought him to the brink of bankruptcy. And when his savings were exhausted, he persuaded five personal friends to chip in—with their eyes wide open, he says. Among them, during the final two years of his presidency, Folkenberg and friends, contributed around \$250,000 to the James Moore extortion fund. Additional and unsuccessful efforts were made by Folkenberg to settle conclusively with Moore for both \$600,000 and 900,000.¹⁶⁷

Under continuing threat that Moore would file a lawsuit against Folkenberg, Sharing, the Inter-American Division and the General Conference and others, Folkenberg asserted considerable pressure on the Adventist Disaster Relief Association (ADRA) to join with Moore in a telecommunications venture.¹⁶⁸ Church members would have been encouraged to transfer their long-distance telephone service to World Comm-MCI so that ADRA (and James Moore and Folkenberg) would benefit financially from their calls.

Because it was clear that by August 21, 1996, Moore had become aware of the Sharing-Dolan agreement, the statute of limitations gave him two years to file a grievance for fraud—twenty-four months to use the threat of such action as a tool of extortion. It would be interesting to know when the badgering phone calls from Moore to Folkenberg stopped. Folkenberg may have felt some relief when August of 1998 came and went without a certified letter or a local process server showing up at 12501 Old Columbia Pike, in Silver Spring, Maryland. But Moore did file a lawsuit against Folkenberg, Carson, the General Conference, the Inter-American Division, Kochenower and others

in Sacramento County Superior Court on August 21, 1998, charging the defendants with fraud.¹⁶⁹ At that moment—even though he did not know it—Folkenberg’s probation had closed.

Four months later, and three days after Christmas, Moore belatedly served the defendants with a summons and complaint;¹⁷⁰ and the General Conference president’s “nightmare of nightmares” began.

Rush to judgment

In his first cause of action Moore claimed an interest in Kanaka Valley Associates dating to May of 1993. At that time, he claimed, Robert Dolan and other defendants agreed to exchange Moore’s “interest in Kanaka Valley Associates for two promissory notes totaling \$8.0 million: the two notes were to be transferred to Sharing International, Barbados, and the shares in that corporation were to be issued 15% to SHARING INTERNATIONAL TENNESSEE, and 85% to a private foundation, Vicariatus Urbis Foundation.”¹⁷¹

“. . . on or after August 21, 1996,” Moore continued, “plaintiff learned that defendants had failed to issue shares to Vicariatus Urbis Foundation. . . . and actively concealed from plaintiff their failure to issue” those shares.¹⁷²

Rather than distribute the shares as promised, Moore alleged, “Sharing International Barbados, transferred all of its interests in the \$8.0 million promissory notes to the Bankruptcy Estate of Robert Dolan.”¹⁷³

Moore prayed the court for “judgment against defendants” for, among other things, “damages in the sum of \$8.0 million,” “punitive and exemplary damages” and “for costs of suit . . . including reasonable attorney’s fees.”¹⁷⁴

Whatever the merits of his complaint (and attorneys for the church considered it “frivolous and without merit”),¹⁷⁵ the final movements in the Folkenberg presidency were rapid ones. The allegations contained in Moore’s suit and issues surrounding it were first reported to General Conference Secretary G. Ralph Thompson and General Conference treasurer Robert Rawson very early in January 1999.¹⁷⁶ Sacramento-based Adventist attorney Phil Hiroshima had been engaged to respond to Moore’s suit for the General Conference. In his discovery effort, Hiroshima found thousands of pages (and a lot of documentation) “that raised significant ecclesiastical concerns about Folkenberg’s dealings with Moore.”¹⁷⁷

Thompson and Rawson requested a full briefing for PREXAD (four GC officers and six GC vice presidents) over the weekend of January 8-10 in Florida. Later that week the vice presidents of PREXAD agreed on an investigative process that was endorsed on January 13 by the thirty members of ADCOM, who appointed a special ad hoc group to assess Hiroshima's findings.¹⁷⁸

Chaired by Andrews University president Niels-Erik Andreasen, the nineteen-member ad hoc group was composed entirely of General Conference Executive Committee members. The ad hoc group's mandate, said Andreasen, "was to report to ADCOM, not on the office, but on the seriousness of the issues," raised by Hiroshima's documentation.¹⁷⁹

The ad hoc group spent January 25 and 26 listening to Hiroshima summarize his findings, as well as to presentations by Folkenberg and his attorney. There was no recording made of the hearings, either audio or stenographic. The group did not listen to any of the Folkenberg-Moore phone conversation tapes, and Hiroshima believes that all of his 80-plus-page handouts were retrieved.¹⁸⁰

After two, twelve-hour days, by secret, overwhelming—but not unanimous—ballot, the ad hoc group voted that what it had learned revealed "a pattern of widespread personal activities" by Folkenberg that gave rise to "ethical concerns" that "included conflicts of interest, inappropriate business associations, and misuse of the office of president for business advantages." The group recommended "that, at the earliest opportunity, the General Conference Executive Committee be convened to hear this matter and to express itself on a question of confidence concerning Elder Folkenberg's continued leadership."¹⁸¹

The next day, January 27, an expanded ADCOM (joined by ten division presidents) accepted the ad hoc group report and, because Folkenberg was refusing to resign, voted to call an expedited meeting of the General Conference Executive Committee to review the Moore lawsuit, the report of the Ad Hoc Group and decide whether Folkenberg should continue as world church leader.¹⁸²

This was not a small matter, because it meant assembling the 200-plus church members, pastors, educators and administrators from around the world who comprised the executive committee two months earlier than the annual spring meeting scheduled for the end of April. The cost

of canceling and reserving new travel and lodging was substantial, not to mention the disruption of administrative schedules in every world church division.

The first hint of the emerging scandal appeared in the *Adventist Review*¹⁸³ six weeks after James Moore served his summons and more than two weeks after the *Los Angeles Times* had quoted disturbing and painful lines from some of the furtively recorded phone conversations between Folkenberg and Moore.

“Adventist World President Resigns,” was the headline of an *Adventist Review* “Special Report” the following week. Reporting accurately for the most part, news editor Carlos Medley seemed to be depending on “the meaning of is” (the present tense),¹⁸⁴ when he wrote: “No church entity had any funds invested with Moore, nor were any church funds at risk.”¹⁸⁵ Unless Medley meant no funds invested with Moore *now*, he seemed unaware of the \$309,000 claim the Inter-American Division had filed with the court in James Moore’s bankruptcy.

Friday, February 26, 1999, attorneys for Folkenberg and Moore reached a settlement agreement.¹⁸⁶ Three days later, at the March 1, 1999, first morning meeting of the General Conference Committee’s expedited spring meeting, Folkenberg’s termination became final. It was the occasion of another irony. The morning’s devotional, “Forward to the Promised Land,” was delivered by former Inter-American Division president George W. Brown—the man whose rejection of the presidential nomination eight-and-a-half years earlier opened the door for Folkenberg’s presidency.¹⁸⁷

At the conclusion of Brown’s talk, committee chair (and acting GC president) G. Ralph Thompson reviewed briefly the procedures that followed the appearance of Moore’s lawsuit and led to Folkenberg’s February 7 letter of resignation. As the result of that letter, he concluded, “[w]e no longer need to decide if he should remain as president, and we feel that it is in the best interest of the Church if we do not have to go into all the reasons for his resignation.”¹⁸⁸

Folkenberg was then given an opportunity to address the committee and spoke for about fifteen minutes. He was tempted to review his relationship with Moore, he said, because “the facts differ substantially from much” that was reported “in the press and on the Internet.” But doing so, he suggested “would be terribly divisive,

for such a discussion is also likely to lead us into the area of flawed processes and other agendas.”¹⁸⁹

He spoke of “a well-intentioned friendship that gradually went astray, and of “a litany of decisions that I and others made”—decisions that, “given the perspective of hindsight . . . those of us who were involved, wish we had done differently.”¹⁹⁰

“Only the Lord,” Folkenberg said, knew “the hundreds of hours” he had “spent with Him in prayer, weeping, pleading for Him to protect His church during . . . my disassociation from Mr. Moore.” He was “deeply repentant” that he had not separated “from Mr. Moore . . . much earlier . . . and for this I am truly sorry and I ask your forgiveness,” he said.¹⁹¹

Then, in a few sentences, the ex president traced his 1976 introduction to Moore and “a gift of an interest in raw undeveloped land near Sacramento, California that Moore made to the Inter-American Division.” It was Folkenberg’s belief in the “substantial potential value [of the land] for our church’s mission that caused me to continue my association with him.”¹⁹²

While Folkenberg acknowledged “the church never realized anything from this gift,” he added, “neither did I.” But then he made the dubious assertion: “At no time was church money ever diverted, lost, or otherwise used for any improper purpose in connection with this gift.”¹⁹³ Perhaps the assertion’s truthfulness hangs technically on the term “improper”; because unless the Inter-American Division representative was lying to the bankruptcy court, Moore’s bankruptcy estate owed the division \$309,000.¹⁹⁴

Folkenberg then turned to the conflict that led to the lawsuit, saying he had “struggle[d] about whether or not to pursue a settlement with Mr. Moore.” He “felt that Mr. Moore had a right to be angry” about the September 1996 Sharing International-Dolan bankruptcy estate settlement agreement “by which an organization with which he was involved [Vicariatus Urbis] seemed to be deprived of an asset.” Folkenberg explained: “I’m simplistic enough to believe that taking something that belongs to another is wrong, regardless of his conduct.” (Given what Folkenberg knew about the origins and history of the Kanaka Valley Associates shares that Moore once acquired, his ethical simplicity sounded more like honor among thieves than “[t]hou shalt

not steal.”) However, “so many of my colleagues disagreed with this position,” he continued, that “I reluctantly acquiesced and announced to GC ADCOM that I was prepared to pursue a vigorous defense of Moore’s litigation.”¹⁹⁵

The former president took a fanciful turn, saying that as he and his attorney discussed his defense, “it became very obvious to me that it was likely the lawsuit would last for several years and would be very expensive, both in terms of actual dollars spent . . . and the time which would be consumed by many people.”¹⁹⁶

However unlikely it was in fact that Moore’s case would have gone anywhere at all, Folkenberg took advantage of an insurance policy (purchased from Chubb Insurance by Adventist Risk Management to cover liability of church directors and officers)¹⁹⁷ that he said “appeared to apply to the claims which had been asserted by Mr. Moore. We contacted that insurer,” Folkenberg said, and “after a careful review of many documents . . . the insurer decided . . . to pay for legal counsel to defend both me and Mr. Carson.”¹⁹⁸

But there was a hitch that disturbed the ex president: “The insurance policy covered only 80% of those defense costs”; and he remarked that the same church that was “willing to pay for my ecclesiastical prosecution [ad hoc group and expedited spring meeting], rejected my request to assist with the remaining 20% of my defense costs.” Folkenberg felt “abandoned” by this rejection, because even though it was in no danger, he had convinced himself that it was “to protect *the church* from Mr. Moore” that his “family had already personally spent so much” and now was “being forced to bear the cost of defense alone”¹⁹⁹ (*italics added*).

Having also persuaded himself that “the cost of litigation would be much higher than the cost of settlement,” he rejoiced that with the “significant participation of the insurance company,” Moore “dropped his claims against all defendants—including all the church organizations.”²⁰⁰

The church and its attorneys opposed the payment of any money to Moore; and because of a confidentiality clause in Folkenberg’s settlement with Moore, only the parties to the settlement know the terms. However, a preliminary settlement draft viewed by a “reliable source,” anticipated Moore turning over “the twenty-seven hours of taped telephone conversations between the two men which Moore threatened to make public if Folkenberg refused to settle the lawsuit,” while Folkenberg was

to pay “about \$800,000. . . . to Moore over a period of two years.”²⁰¹

As is their common procedure, a member of the General Conference office of general counsel signed off on the minutes of the expedited Spring Meeting General Conference Committee. This time it was general counsel (and office administrator) Robert W. Nixon who signed the historic, March 1, 1999, executive session. But, per unusual, he added a handwritten note below his first signature and date: “I do not believe statement by R. S. Folkenberg @ insurance (p. 99-10) are correct in describing a complex situation. [signed] Robert W. Nixon.”²⁰²

Nevertheless, once again Robert Folkenberg (and now also a General Conference insurance policy) was contributing to the James Moore extortion fund, as the Sage continued to make a pretty good living off the land.

Notes

1. An ironic example of serendipity (Miriam Wood, "The Day in Vienna," *Review and Herald* [July 14, 1975], p. 5): After this chapter had been given its title, the author chanced upon a remark to Miriam Wood (wife of former *Review and Herald* editor Kenneth Wood) at the 1975 General Conference session in Vienna by Elder Stanley Folkenberg (then undertreasurer of the Euro-Africa Division and late father of the primary subject of this essay): "They don't call it 'filthy lucre' for nothing. When we finish counting, our hands are really dirty!"

2. Sidney Allen, "The Sheep, the Pastors, and the Clover," *Adventist Currents* 2:1 (October 1983), p. 39. Sidney Allen was taking the class from C. Mervyn Maxwell, one of "Uncle" Arthur S. Maxwell's four accomplished sons. Although when he wrote in 1983 he had Robert Pierson and Neal Wilson in mind, his musings seem even better suited to the subsequent presidency of Robert S. Folkenberg. Since his return to the United States in the late 1960s from a deanship at Philippine Union College, most of Allen's professional activity has revolved around the department of philosophy at San Bernardino Valley College, where he has been at various times both professor and chair.

3. There was no Adventist hierarchical structure to surmount in the nineteenth century. The evolution of SDA Church governance has been abstracted by General Conference archivist Bert Haloviak, "Brief Organizational History of Seventh-day Adventists," Office of Archives and Statistics 2007 (a work in progress), available: http://www.adventistarchives.org/doc_info.asp?DocID=40097

The first Seventh-day Adventist union conference was established in Australia in 1894. In 1897 General Conference territory was divided into three unions: "US/Br NA; European Union Conf; Australasian Union Conf." In 1899 local conferences were asked to support monetarily their unions, and union presidents were assigned membership to the GC Committee. At the 1901 GC session, the union organizational level was extended. While the GC Committee would supervise the foreign mission work, unions would be the legal entity by which the church owned property.

4. "Roster of Officers and Departmental Secretaries," *Adventist Review* (May 8-15 1980), pp. 28-29. On his web-posted curriculum vitae (<http://www.folkenberg.net/Initiatives.htm>), Folkenberg listed his title as "Assistant to the President, Inter-American Division, Miami, Florida, 1980-85."

5. B. L. Archibold, "Amazing exploits in the land of the conquistadors," *Adventist Review* (April 21, 1980), pp. 28-31. Brown replaced B. L. Archibold who retired at the 1980 GC session.

6. Bonnie Dwyer, "From Puerto Rico to Washington: Trajectory of a President," *Spectrum* 20:5 (August 1990), pp. 16-20.

7. Fritz Guy and Ronald Graybill, "Report of 55th General Conference Session," July 20, 1990, quoted from author's contemporary notes.

8. Carlos Medley did mention a nomination that failed ("Folkenberg Elected General Conference President," *Adventist Review* [July 8, 1990], p. 2), but reported nothing about who was the nominating committee's first choice or why the nominee had rejected the honor.

9. Robert S. Folkenberg, Curriculum Vitae.

10. R. S. Folkenberg, quoted in "Fourth business meeting," *Adventist Review* (July 10, 1990), p. 5. The first Five-Day Plan to Stop Smoking was conducted June 12-16, 1960, in Taunton, Massachusetts, by J. Wayne McFarland, M.D. and the late Elman J. Folkenberg, almost four years before the U.S. Surgeon General's report linking cigarette smoking to lung cancer was published in January of 1964. The Plan was sponsored and distributed by the Seventh-day Adventist Church until 1985. Available <http://www.newstarhealthcare.com/article.php?id=47&PHPESSID=a8633fb602a66497717a66cf29802920>

11. Kenneth H. Emmerson, "Greatest Days Ahead," *Adventist Review* (April 21, 1980), pp. 12-16. Emmerson served as General Conference treasurer from 1966 to 1980, retiring at the Dallas session: "Second business meeting," *Adventist Review* (April 20, 1980), p. 29.

12. Ronald Graybill, "The Making of a General Conference President, 1990," *Spectrum* 20:5 (August 1990), pp. 5-10. Graybill says he is relying on Wilson's Friday night farewell address.

13. William G. Johnsson, "Profile of a President," *Adventist Review* (July 8, 1990), p. 3.

14. Dwyer, p. 17.

15. Robert S. Folkenberg, "Church Structure—Servant or Master?" *Ministry* (June 1989), pp. 4-9.

16. "Adventist Church Dedicates First Seminary in U.S.S.R.," *Adventist Review* (February 16, 1989), p. 6. The educational facility was erected in Zaoski, 66 miles south of the Russian capitol.

17. Leshner had been director of the Biblical Research Institute beginning in 1979 and in 1981 became one of six general vice presidents of the General Conference. He was appointed president of Andrews University in 1984, a position he held for ten years.

18. Guy and Graybill.

19. Graybill, p. 11.

20. At a General Conference session, delegates caucus by division on the opening day to select their quota of members for the nominating committee that comprises less than ten percent of the total delegates. The union conference presidents form the largest subset of the nominating committee that nominates one person for each of the constitutionally specified General Conference and division-level positions. Nominees are then ratified by all other session delegates, often without discussion, in general business meetings.

21. The 1990 *SDA Yearbook* lists 83 union conferences worldwide.

22. The three western hemisphere divisions combined membership—South American (941,527), Inter-American (1,177,964) and North American (743,023)—in 1990 comprised nearly half that of the Adventist world church. See Roy Branson, "From the Editor's Notebook," *Spectrum* 20:5 (August 1990), p. 3.

23. Was elected president of the South American Division at 1980 session in Dallas and reelected in 1985 at the Louisiana session.

24. The nominees' names, positions and ages are tabled in "Presidential Nominees," *Adventist Currents* the newsletter (August 1990), p. 11. The mean, median and mode for the dozen nominees were each almost exactly sixty-one years. At 49 Folkenberg was twelve years younger than the average nominee.

25. "The Good, the Not So Good, and the Perplexing," *Adventist Currents* the newsletter (August 1990), pp. 2, 10. Stephen Gifford told this author in 1990, shortly after returning from the session, that some days before the session he had phoned Mostert to inform him that he intended to speak on the floor of the nominating committee recommending a change.

26. Graybill, p. 13.

27. Graybill, p. 13.

28. Reaves was then president of Oakwood College. Wisby and Follet were presidents, respectively, of the Columbia and Atlantic unions.

29. Graybill, p. 13.

30. Guy and Graybill.

31. McClure may be correct; but in *Spectrum* (20:5 [August 1990]) Graybill says, "Ten years ago, at the 1980 General Conference Session, the Inter-American Division delegates on the nominating committee struggled to settle on a new division president. In the end, George Brown was chosen by one vote over the promising 39-year-old president of the Central American Union Mission: Robert S. Folkenberg." Both could be correct.

32. McClure was referring to Folkenberg's participation in the three-man subcom-

mittee that provided him with information that helped him to draft his analysis of church structure that appeared in the June 1989 *Ministry*.

33. "Third business meeting, Fifty-fifth General Conference session, July 6, 1990, 2:00 p.m.," *Adventist Review* (July 9, 1990), p.12.

34. "The Good, the Not So Good, and the Perplexing," p. 14. See especially the testimony of then Southern College president Frank Knittle who, in a 1990 interview with this writer, said that in 1981 McClure told him he had to fire five of his religion faculty. Knittle refused; but after his resignation in 1982, McClure was able to install retired General Conference vice president Gordon Hyde as religion chair. Hyde then moved Helmut Ott into the modern languages department and accomplished the removal, in turns, of Lorenzo Grant, Jerry Gladson and Edwin Zackrisson. Some of this history is clarified in "Glad Tidings from Southern College," *Adventist Currents* 1:3 (February 1984), pp. 9, 10, 28.

35. "Third business meeting, pp. 11, 12. With the exception of a McClure reference to Folkenberg being "multilingual," this is all that the delegates to the 55th General Conference session were told at 5:30 on Friday evening, before they voted him to replace Neal Wilson at the helm of what John Harris (*The Great Teacher* [J.S. and C. Adams, 1836], p. 225) termed the "only object . . . on which he bestows his supreme regard."

36. Paraphrase of Graybill, p. 15.

37. Guy and Graybill.

38. Any number of local conferences in North America have remedied this haphazard process with adjustments to their constitutions and bylaws. For instance, the Southeastern California Conference Nominating Committee meets on three consecutive Sundays preceding a regular conference constituency meeting.

39. William G. Johnsson, "The Fifty-fifth: Session of Surprises," *Adventist Review* (July 26–August 2, 1990), p. 2.

40. In "The Making of a General Conference President, 1990," *Spectrum* 20:5 (August 1990), pp. 5–10, Graybill writes: "Both Reaves and Folkenberg used all their powers to persuade him to accept."

41. Christopher H. Wing, "Motion to Modify," submitted to The Superior Court of the State of California County of Sacramento, March 20, 1990, filed March 21, 1990, in *Spectrum* background documents.

42. "Con Man Who Stole Over \$46,000 Begins Prison Term," *Sacramento Bee*, December 27, 1989, p. B3.

43. Session Proceedings/Actions, "Third Business Meeting," *Adventist Review* (July 9, 1990), pp. 12, 13.

44. Session Proceedings/Actions, "Third Business Meeting," p. 13.

45. These would include Carlos E. Aeschlimann (Ministerial Association associate secretary), Brown and Ramon Maury (I-AD treasurer from 1980 to at least 1995) and Robert J. Kloosterhuis (GC general vice president). Consider how small Brown would appear if, after rejecting the nomination, he attempted to warn the committee against Folkenberg.

46. Colleen Moore Tinker, "Folkenberg Business Details Revealed," *Adventist Today* (March–April 1999), back cover and p. 22. A Folkenberg relative told this author several stories of Folkenberg's efforts to save or make a buck by getting around import-export regulations and even by taking advantage of a young person to whom he had offered what appeared to be an opportunity to hitch a ride with him rather than pay a substantial airline fare.

47. "The Nominating Committee," *Adventist Review* (April 20, 1980), p. 22.

48. See "'Nominating Committee—Membership Appointment," *Adventist Review* (June 30, 1985), p. 14; "Nominating Committee Members," *Adventist Review* (July 8, 1990), p. 30; *SDA Yearbook*—1985, p. 17. Although he was on the nominating committee in 1990, Juan

Guerrero was simply a delegate-at-large from the Cuba Union Conference in 1985.

49. "Delegates to the 1985 session," *Adventist Review* (June 27, 1985), pp. 24, 25.

50. The author realizes that this group could not vote, but it is also the fact that the room where the nominating committee meets is not hermetically sealed. Voting members come and go through its very politically porous membrane. Notes are passed and silenced cell phones vibrate.

51. Kloosterhuis and Folkenberg served together on the nominating committee at the 1980 GC session. Max Torkelsen, "Adventists Elect Six Vice Presidents of the World Church" (for immediate release), July 2, 1995, available: http://www.adventist.org/world_church/official_meetings/1995gcsession/070204am.txt

52. David Dennis, author interview, July 9, 2005, Escondido, California.

53. The Quiet Hour provided Folkenberg with the six-place Aztec in early 1974 that replaced his Cessna 180. He upgraded to a 10-seat, turbo-charged, 250 mph Navajo Chieftain in August of 1977; but while ferrying it south from Washington State, he landed wheels up in Riverside, California, near Loma Linda. Damage was not severe. Available: http://www.folkenberg.net/Pictures/personal_pictures.htm

54. William Johnsson, "Caught in the Web," *Adventist Review* (February 11, 1999), p. 5.

55. According to their respective curriculum vitae, Moore was born September 24, 1940 and Folkenberg was born January 1, 1941.

56. Robert S. Folkenberg—curriculum vitae, available (September 25, 2007): www.folkenberg.net/rsf-cv.htm

See also R. R. Frame, "Fourth-Generation Missionaries Return to Latin America," *Review and Herald* (February 23, 1967), p. 19; and "Biographical Sketch of Robert S. Folkenberg," *Dialogue* (March 1991), p. 4.

57. James E. Moore—curriculum vitae, available (January 31, 2005): www.gpers.com/moore2.html

58. Robert S. Folkenberg—curriculum vitae, "Projects undertaken," available (January 31, 2005): www.folkenberg.net/rsf-cv.htm

59. Moore.

60. Folkenberg.

61. Moore.

62. The Central American Union Mission has since been divided into three unions: North Central American, Mid-Central American and South Central American.

63. In 2005 the CIA estimated a population of roughly 40 million for the seven countries. Available at: <https://www.cia.gov/library/publications/the-world-factbook/index.html>

64. General Conference "Statistical Reports," 1975, p. 14; and 1980, p. 12.

65. Archbold, p. 28. The Inter-American Division included Mexico with its large population base—around 106 million in 2005.

66. During his first term in office, President George W. Bush eliminated regulatory and policy barriers that have kept faith-based organizations from partnering with the federal government to help needy Americans. His Faith-Based and Community Initiative ensures that faith-based organizations are able to compete on an equal footing for federal funding within constitutional guidelines, without impairing the religious character of such organizations and without compromising the religious freedom of beneficiaries. See: <http://www.whitehouse.gov/government/fbci/>

67. "Guatemalan Quake Culprit Fault Identified," release from United States Department of the Interior Geological Survey, February 12, 1976.

68. "This Week," *Review and Herald* (February 26, 1976), p. 3.

69. "SAWS Sends Aid to Guatemala," *Review and Herald* (February 19, 1976), p. 24.

70. "In Brief," *Review and Herald* (February 26, 1976), p. 24.

71. References the Jung-Myers-Briggs typological approach temperament sorter.

Another, easier to remember temperament nomenclature is that of apes, owls, bears and dolphins—introduced by educational psychologist Keith Golay.

72. For a story, among so many, that describes the activities and death of Adler “Barry” Seal, see John Semien, “Congress investigating Barry Seal’s activities,” *The Baton Rouge Sunday Advocate*, April 10, 1988. Eugene Hasenfus survived the crash in Nicaragua of an arms-laden C 123 cargo plane (once owned by Barry Seal) that helped to expose the Iran-contra affair, against Richard V. Secord, wrote Stephen Kinzer (“Hasenfus is Freed by Nicaraguans and Heads Home,” *New York Times*, December 18, 1986).

73. Folkenberg’s “Curriculum Vitae” enumerates “single and multi-engine airline transport pilot’s rating, commercial helicopter and seaplane rating, and . . . bush-flying more than 2,000 hours in Central America and the Caribbean”; and “Learning to [scuba] dive as . . . volunteer chaplain with the 8th Special Forces in Ft. Gulick, in the Panama Canal Zone.”

74. General Conference session nominating committee reports, *Review & Herald* (July 14, 1975), p. 5; *Review & Herald* (July 16, 1975), p. 7.

75. Moore Tinker, back cover. According to David Dennis (author interview, July 9, 2005), Folkenberg arranged for “the Count” (Robert R. Drachenberg), who from 1984–1985 was briefly in charge of ADRA, to purchase computers for the relief agency from or through Folkenberg contacts.

76. Howard C. Richards, “Declaration in Support of Motion to Approve Settlement with Sharing Group,” September 10, 1996, United States Bankruptcy Court, Central District of California, Northern Division (Case No. ND 94 10782 NRR), p. 5 (*Spectrum* background documents), projected “Gross sales for the project . . . are expected to be \$33,000,000.00, of which \$11,000,000.00 are expected to be profits.”

77. On February 23, 1983, official documents cited a “technical oversight” and revised the record.

78. Information about Virgilio Levi and Taverners Investment, Ltd., is from Bruce Babienco of “The Pastor’s Net,” as quoted by Colleen Moore Tinker in “Folkenberg Resigns,” *Adventist Today* (January–February 1999), p. 10.

79. General Conference session “Roster of Officers,” *Adventist Review* (May 8–15, 1980), p. 28.

80. Johnsson, p. 5.

81. It is possible that the figure, in whole or in part, represents dollar figures imputed to stock transfers provided to pay consultants or contractors; or as collateral for loans to pay them.

82. “Investment Counselor Held in Securities Fraud,” *Sacramento Bee*, June 21, 1984, p. B.

83. “Remarks by Robert S. Folkenberg,” Special meeting of the General Conference Executive Committee, Minutes, March 1, 1999, pp. 99–8 – 99–14. Carson’s 1996 letter to Dolan’s bankruptcy court elaborates some on facts behind Folkenberg’s statement. It does appear that the Vatican-based entity did lose an asset, but one originally received by artifice.

84. As a consequence, Moore retained control of the KVA shares he appeared to have given up because Taverners was allowed to keep the shares—most likely as an offset to the \$609,000 it claimed against Moore.

85. Actually, he probably never would have been elected in 1990 because if anything had gone slightly different that day, Folkenberg would not have been nominated.

86. James E. Moore to The Honorable David Russell, January 31, 1986. A curiosity: the letter is stamped “FILED DEC 31 1986” by the Bankruptcy Court, Eastern District of California; but the letter is regarding a “Motion: HSM-1 (January 5, 1987),” *Spectrum* background documents.

87. “Con Man Receives Four-Year Prison Term,” *Sacramento Bee*, April 23, 1987, p. B4.

88. Moore Tinker, p. 10.

89. While MCA has in its possession the March 16, 1999, communication, the

former GC official's request for anonymity is being honored.

90. Bimshire is an old name for the Island of Barbados; and Kadooment is the name for the last concert/party during Barbados's version of the annual Carnival parade called Crop Over, staged in late July and early August. Available: <http://www.trevorweston.com/weston%20works/suite%20bimshire.html>

91. In 1989 or 1990 the court demanded \$250,000 from Southern Equipment and Taverners for accepting Moore's "fraudulent conveyances."

92. This is easily inferred from subsequent legal disputation, but the anonymous former GC official says precisely that in his correspondence of March 16, 1999.

93. Robert Dolan's bankruptcy attorney in 1996 seemed to think so.

94. "Honored Alumnus, Andrews University *Focus* (Summer 1990), p. 29; "Teachers Awarded for Excellence," *Focus* (Fall 1991), p. 13; "McBride Serves on Research Team," *Focus* (Winter 1991/92), p. 19; "McBride Receives National Zapara Award," *Focus* (Winter 1991/92), p. 20.

95. Neal C. Wilson, quoted in Bert Haloviak, "Approaches to Church Organization," unpublished ms. (March 1993), pp. 19-20, presented to the Commission on World Church Organization at Cohutta Springs, Georgia. The McBride study was actually about justifying retrenchment due to financial exigency. Clearly precommitted to the outcome, Wilson said, We "must be strong enough to implement the changes that should be made in light of the McBride study." Because the objective was a significant downsizing of the General Conference work force, McBride and the "designated individuals" were given a lot of power temporarily that had a long lasting impact on the lives of many Adventist workers. Available: http://www.adventistarchives.org/doc_info.asp?DocID=54

96. Evert McDowell, "North America Forces General Conference Staff Cuts," *Spectrum* 20:5 (August 1990), pp. 44-46.

97. Moore Tinker, p. 10. Moore Tinker credits *Adventist Today* reporter Albert Dittes with the corporate history she was able to report regarding Sharing International Tennessee and Sharing International Barbados. This author has seen no published source that clarifies what might have qualified Terry Carson to be the corporation's treasurer.

98. It was not long after the mini-scandal involving secret donors funneling salaries for a year (summer of 1990 to the summer of 1991) to the wives of Folkenberg and North American Division president Al McClure (See Brent G. T. Geraty, Esq., "Our Firm's Foundations," *Spectrum* 27:3 [Summer 1999], pp. 58-66) that Carson began cooperating in 1992 with a Chicago law firm—and with James Moore—to create a trust for the Folkenbergs that would provide, under the radar, an extra income stream to the president and his family.

99. "If any man worship the *beast* [for most nineteenth century Protestant commentators, the Papacy] and his image [for Seventh-day Adventists this meant "apostate" (or Sunday worshipping) Protestants] and receive his mark in his forehead, or in his hand, the same shall drink of the wine of the wrath of God . . . And the smoke of their torment ascendeth up for ever and ever: and they have no rest day nor night, who worship the beast and his image, and whosoever receiveth the mark of his name. [But] here is the patience of the saints: here are they that keep the commandments of God, and the faith of Jesus."

100. Dwyer, "From Puerto Rico to Washington," p. 18.

101. Moore Tinker, p. 10.

102. David Dennis to author, email of March 20, 2005. Chapter entitled "The Fall of Folkenberg," in David D. Dennis' forthcoming book, *Accounting for Justice: an Autobiography*: "These [Folkenberg cronies] included the likes of Benjamin Kochenower, CPA, of North Carolina, who for many years had not only prepared Folkenberg's annual income tax returns, but had also served as a personal confidant."

103. Dwyer, pp. 18, quotes Kochenower: "You remember Nebuchadnezzar went all over the world picking the sharpest, brightest people . . . and put them to work. He was

not threatened or intimidated. [Probably not; they were captives brought most likely from various parts of Western Asia.] Folkenberg is like that. . . . He's the finest administrator I've met in the church or business world."

104. "Cast of Characters," *Spectrum* documents.

105. "Con Man Receives Four-Year Prison Term," *Sacramento Bee*, April 23, 1987, p. B4. "Con Man Who Stole Over \$46,000 Begins Prison Term," *Sacramento Bee*, December 27, 1989, p. B3.

106. A penal colloquialism might be more accurate.

107. Christopher H. Wing, "Points and Authorities," in his "Motion to Modify," submitted to The Superior Court of the State of California County of Sacramento, March 20, 1990, filed March 21, 1990, *Spectrum* documents.

108. The \$250,000 was what Sharing owed the government for controlling the KVA shares that first had come into the possession of Southern Equipment and Taverners as "preferences and fraudulent conveyances."

109. Clearly Sharing had acquired both the assets and the obligations of the KVA share from Southern Equipment (Inter-American Division) and Taverners Investments.

110. Wing, "Motion to Modify."

111. "I have been shown that no man's judgment should be surrendered to the judgment of any one man. But when the judgment of the General Conference, which is the highest authority that God has upon the earth, is exercised, private independence and private judgment must not be maintained, but be surrendered" (Ellen G. White, *Testimonies to the Church*—3 [Pacific Press, 1948] p. 492).

112. Johnsson, "The Fifty-fifth: Session of Surprises," p. 2.

113. Medley, "Folkenberg Elected General conference President," p. 2.

114. Johnsson, p. 2.

115. William G. Johnsson, "The Fifty-fifth: Session of Surprises," *Adventist Review* (July 26–August 2, 1990), p. 3. Johnsson does not name the "major recommendation from the Nominating Committee [that] was challenged from the floor of the session, referred back to the committee, reconsidered, and changed."

116. Raymond Cottrell, "Former Auditor Sues Church," *Adventist Today* (May/June 1995), quotes the complaint filed by David Dennis on February 22, 1995, with Montgomery County, Maryland, Circuit Court, naming Robert S. Folkenberg and others as defendants, in a \$4 million lawsuit, alleging wrongful termination of his GC employment (December 29, 1994) on false charges of misconduct, rescinding his ministerial credentials and defaming his character. See "Evergreen" chapter in this volume for an analysis of how those health system salaries skyrocketed in the 1980s.

117. David Dennis to Neal C. Wilson, April 17, 1989. The letter receives considerable analysis in the chapter entitled "Evergreen," elsewhere in this volume.

118. Kenneth H. Wood, "The Day in the Dome," *Adventist Review* (July 10, 1990), p. 4.

119. William G. Johnsson, "Profile of a President," *Adventist Review* (July 8, 1990), p. 3.

120. Robert S. Folkenberg to A. C. McClure, July 23, 1991, quoted in Roy Branson, "The Presidents and Anonymous Donors," *Spectrum* 21:4 (August 1991), p. 29. Folkenberg also argued (pp. 24–25) that it would be unseemly to give (or create) positions for the two women at the General Conference office when so many others were being cut. The obvious alternatives were for them to work elsewhere, or not to work.

121. Branson, pp. 25, 26. Branson cites Wisbey as claiming "that when McClure moved to the Washington, D.C. area, the Adventist Health Systems/Sunbelt purchased, at market value, the Atlanta home of its outgoing chairman of the board," Al McClure. In his forthcoming book (*Accounting for Justice*) chapter, "Driving Nails in My Coffin," former GC auditor-in-chief David Dennis writes, "While he [McClure] begged me to have the [auditor's] report altered, he failed to tell me that he had just sold his prior personal residence in Georgia for greater than

market value to the Health System, whose board he chaired!”

122. Most likely Folkenberg had David Dennis in mind, unless somehow he knew in advance what Tyner was going to say.

123. Robert Folkenberg to Donald Gilbert, June 19, 1991, quoted in Branson, p. 28.

124. Branson, p. 29. Congressional ethics do not constitute a particularly high bar.

125. Branson, p. 27.

126. Branson, pp. 28, 29.

127. Both a General Conference archivist and a retired General Conference vice president have told this author in conversations separated by twenty years that the practice of excluding untoward matter from GC Executive Committee minutes is common practice.

128. Minutes: General Conference Committee, “Members Present” for June 13, 1991 (pp. 91–219), June 20, 1991 (pp. 91–225) and June 27, 1991 (pp. 91–235).

129. One member of those attending both the June 20 and June 27 GC committee meetings is not a minister.

130. Moore Tinker, p. 10, reports that although Folkenberg is listed as president on Sharing International’s January 3, 1989, filing, the corporation’s 1990 annual report shows that position filled by Ben Kochenower.

131. An anonymous GC official who had to know the facts says that in July of 1990, Folkenberg “resigned as an officer and board member of both Sharing International/Tennessee and Sharing International/Barbados.”

132. “Cast of Characters,” p. 1, *Spectrum* documents, states that on February 5, 1990, KVA and Peter Wardle Architects signed an option agreement that was amended several times over the next two years.

133. No records that have come to light clarify whether the \$739,000 loan to Sharing was from the \$2 million or a separate arrangement. And the purpose of the loan remains obscure; however, it is reasonable to suspect that it encumbered a large percentage of Sharing’s Southern Equipment portion of the Kanaka Valley interest.

134. Carson has served as the General Conference lead counsel in its rather relentless effort (beginning in the early 1980s) to preclude Adventist Church members from using—in the name of any independent association, ministry, publication or business—terms the General Conference Corporation has trademark registered: “SDA,” “Seventh-day Adventist” and “Adventist.” This writer’s experience in publishing *Adventist Currents* (from 1983 to 1988) suggests that their attempt to enforce denominational service mark rights, at least in the case of the word “Adventist,” have not been entirely successful.

135. Bruce Lindsay, one of President Clinton’s most trusted advisers and longtime friend from Arkansas, served in the Clinton administration as counsel to the president. He acquired the nickname “the fixer,” for his extraordinarily effective extracurricular role in damage control for the various scandals-in-waiting that dogged the White House from 1992–2000.

136. Perhaps Folkenberg used the absence of his chastening from the General Conference Committee minutes to pretend the topic was never addressed. “He who controls history . . .” wrote Orwell.

137. It may be that Walter Carson’s willingness to play improper dual roles throughout the Folkenberg presidency finds some explanation in the fact that, as he once wrote for publication: “[A]s a child I had grand plans of becoming the General Conference president one day!”—Walter Carson, “The Ideal Lawyer,” *Dialogue* 7:3 (1995), pp. 22–23.

138. James E. Moore, curriculum vitae, available (March 8, 2005): <http://www.gpers.com/moore2.html>

139. Brent G. T. Geraty, Esq., author of “Our Firm’s Foundations,” *Spectrum* 27:3 (Summer 1999), believes that “in leaving blank lines in place of Folkenberg’s name, Carson clearly demonstrated sensitivity to the fact that the discovery of the Trust

would be politically damaging to Folkenberg.”

140. Moore Tinker, p. 10.

141. It was not unusual for Folkenberg to network with high-level clergy of other faiths. See “GC President Visits the Middle East Union,” *Adventist Review* (January 10, 1991), p. 7. To Folkenberg’s especially conservative Adventist detractors, this ecumenical conviviality elicited end-time imagery of “hands across the gulf.”

142. Folkenberg’s August 1, 1994, letter to Archbishop Desmond Tutu is reproduced in Geraty, p. 59.

143. In its “Summary Statement of the Ad Hoc Group’s Report on Issues Relating to the Presidency of Robert S. Folkenberg” (published in *Spectrum* 27:2 [Spring 1999], pp. 73, 74), the ad hoc group determined that Folkenberg’s “introductions to overseas Church and world leaders for the purpose of promoting private business ventures. . . . represents an inappropriate use of the General Conference president’s office.”

144. Even though a closely held for-profit corporation does not have to make its financial activities public, between 1989 and 1994 the Kanaka Valley assets had caromed back and forth repeatedly between the two Sharings; consequently, a properly filed Form 990 for Sharing Tennessee could be instructive.

145. Jim Walters, “Global Authority Is Answer for Growing Diversity,” *Adventist Today* (July-August 1995), pp. 4-7.

146. Cottrell, back cover and p. 22; David Dennis to Jan Paulsen, October 30, 2001, available: http://www.truthorfables.com/david_dennis.htm

147. According to Dennis (*Accounting for Justice* chapter draft, “The Ax Falls”), due to stalling tactics by the three outside law firms hired by GC house counsel to defend Folkenberg’s action, his case meandered for seven years at a cost to the GC in excess of \$6 million dollars. During discovery, Dennis, his wife and two children were subjected to a combined ten days “of bantering and harassment by the panel of opposing lawyers, two from each of the three law firms, plus Carson and Mittleider from the GC.” In just those ten days of recorded testimony, Dennis writes, “the GC expended some \$400,000.”

148. Max Torkelsen, “Seventh-day Adventist’s Re-elect World Church President” (June 30, 1995), Adventist News Network, released by: Ray Dabrowski, available (March 16, 2005): http://www.adventist.org/world_church/official_meetings/1995gcsession/063001ann.txt

149. Arizona Conference president Herman Bauman left Utrecht concerned that “making strong rules and policies that require unity are probably only going to arouse opposition rather than a sense of togetherness.” What Folkenberg had termed “LINKAGE,” Bauman wrote his ultimate boss (“Dear Bob: An Open Letter to Robert Folkenberg,” *Adventist Today* [July-August 1995], pp. 16, 17), actually would be “spelled C-O-N-T-R-O-L.”

150. Richards, “Declaration in Support of Motion to Approve Settlement with Sharing Group,” p. 4.

151. “Cast of Characters,” p. 3.

152. Richards, p. 2.

153. http://www.folkenberg.net/Pictures/personal_pictures.htm

154. Available: <http://www.wright-b-flyer.org/index.html>

155. Richards, p. 5.

156. Article III, “History Leading Up to This Bankruptcy Filing,” pp. 14–26, containing the folio: “law\dolan\new4.dis,” reads like Howard C. Richards’ prose in the Declaration in Support cited earlier. The author refers to himself as “Plan Proponent” as he supports the plan to accept Sharing’s offer to surrender its interest in KVA for release from the lawsuit brought by Dolan’s estate. Internal evidence suggests that it is dated early-to-mid-1997 (*Spectrum* background documents).

157. Specified in Dolan’s Bankruptcy Schedule B, Item 20 “Causes of Action” (see “Cast of Characters”).

158. McNeilus is most likely a misspelling of McNeilus. Folkenberg indicated (“Summary Statement of the Ad Hoc Group’s Report on Issues Relating to the Presidency of Robert S. Folkenberg,” presented to the General Conference Administrative Committee (ADCOM) on June 27, 1999, and printed in *Spectrum* 27:2 [Spring 1999] p. 73) that he had acquired the assistance of five friends in keeping James Moore afloat, as he put it. At the GC session in Indianapolis, Garwin McNeilus is reported as donating gifts of \$1 million each to projects in Nepal and the U.S.S.R.; and the McNeilus family gave another \$1 million to fund a new radio station in Italy (William G. Johnson, “The Fifty-fifth: Session of Surprises,” *Adventist Review* (July 26–August 2, 1990), p. 2). A self-made multimillionaire, McNeilus became a leading manufacturer and marketer of commercial specialty vehicle bodies—including rear-discharge concrete mixers and portable concrete batch plants for the concrete ready-mix industry, and refuse vehicle bodies for the waste-services industry. The business was sold in February of 1998 for \$211,500,000, less \$500,000 to the escrow agent. The proceeds were distributed among four family members and the General Conference of Seventh-day Adventists, represented by then General Conference vice president Philip Follett, available: <http://www.secinfo.com/dsvR3.717c.d.htm>

Along with their parents, son Denzil and daughter-in-law Donna continue the family’s philanthropic work. Denzil and Donna have, in turns, been recent presidents of Adventist-Laymen’s Services and Industries.

159. Bankruptcy Rule 9011 explained at: <http://library.findlaw.com/2003/Jun/12/132808.html>

Bankruptcy Rule 9011 requires an attorney for a represented party to sign every paper filed in a bankruptcy case “except a list, schedule, or statement, or amendments thereto.” Bankruptcy Rule 9011(a). The exception has led some courts to question whether the rule applies to a debtor’s counsel when misrepresentations are made in the debtor’s schedules and statement of affairs. But subpart (b) of Rule 9011, as amended in 1997, provides for sanctions not only with respect to documents signed by an attorney, but also documents he “presents” by “filing” or “later advocating.” Bankruptcy Rule 9011(b). Courts have relied on this language to hold counsel accountable for inaccuracies and misstatements in schedules.

160. “Creditor’s Objection to Motion to Approve Settlement with Sharing International; Declaration in Support of Objection,” signed: James E. Moore, dated: September 7, 1996; received September 9, 1996, by the United States Bankruptcy Court Central District of California Northern District.

161. Walter Carson to Howard Richards, September 6, 1996. Carson wrote on plain paper, using his home address, but transmitted the letter by way of a General Conference office FAX machine. Typescript of letter in *Spectrum* documents.

162. It may not have helped that the bankruptcy attorney was spelling Vicariatus as Vicariatum. But if James Moore wanted to push his argument that Vicariatus Urbis owned what had been the Taverners’ shares held by Sharing Barbados, he had many opportunities to do so. Folkenberg, who had exchanged correspondence with Vicariatus Urbis director Virgilio Levi, could have provided an address.

163. Line delivered by Julie Andrews in *The Sound of Music*.

164. Eric Lichtblau, “Adventists Meet to Weigh Fate of Embattled Leader,” *Los Angeles Times*, January 23, 1999.

165. James Moore to Robert Folkenberg, October 31, 1997, quoted in: Geraty, p. 65.

166. Richards, p. 1.

167. “Summary Statement of the Ad Hoc Group’s Report on Issues Relating to the Presidency of Robert S. Folkenberg,” presented to the General Conference Administrative Committee (ADCOM) on June 27, 1999, and printed in *Spectrum* 27:2 (Spring 1999), pp. 73, 74.

168. Geraty, p. 66, note 8. Also see: “Summary Statement of the Ad Hoc Group’s

- Report on Issues Relating to the Presidency of Robert S. Folkenberg,” p. 73
169. The four-page “Complaint for Fraud [and] Declaratory Relief” was filed by James E. Moore *in pro per*.
170. Moore Tinker, back cover.
171. James E. Moore, “Complaint for Fraud Declaratory Relief,” in Sacramento County Superior Court, August 21, 1998
172. Moore.
173. Moore.
174. Moore.
175. Carlos Medley, “World Church Leaders Grapple With Controversy,” *Adventist Review* (February 11, 1999), p. 2.
176. “Opening Remarks by G. Ralph Thompson,” minutes, special meeting of General Conference Committee, March 1, 1999, p. 99-8.
177. Medley, p. 2.
178. Thompson, minutes, p. 99-8.
179. “Reviewing the Process,” an interview with Niels-Erik Andreasen, *Spectrum* 27:2 (Spring 1999), p. 69.
180. Phil Hiroshima, phone conversation with author, early 2005. Because of his professional relationship to the General Conference and various church risk-management entities, Hiroshima would not discuss any aspect of the Folkenberg matter.
181. This Week’s News: January 28, 1999, Adventist News Network, available: <http://news.adventist.ods.org:8080/issues/data/917502485/#1>
182. This Week’s News: January 28, 1999.
183. Medley, p. 2.
184. William Jefferson Clinton’s August 17, 1998, Grand Jury testimony: “It depends on what the meaning of the word ‘is’ is. If the—if the—if ‘is’ means is and never has been that is not—that is one thing. If it means there is none, that was a completely true statement.” Available: <http://www.washingtonpost.com/wp-srv/politics/special/clinton/stories/docs092198.htm>
185. Medley, “Adventist World President Resigns,” p. 2.
186. Remarks by Robert S. Folkenberg, minutes, special meeting of the General Conference Committee, March 1, 1999, p. 99-10.
187. Minutes, special meeting of the General Conference Committee, March 1, 1999, pp. 99-4—99-7.
188. Opening Remarks by G. Ralph Thompson, Minutes, Special Meeting of the General Conference Committee, March 1, 1999, p. 99-8.
189. Remarks by Robert S. Folkenberg, p. 99-9.
190. Remarks by Robert S. Folkenberg, p. 99-9.
191. Remarks by Robert S. Folkenberg, p. 99-9.
192. Remarks by Robert S. Folkenberg, p. 99-9.
193. Remarks by Robert S. Folkenberg, pp. 99-9, 99-10.
194. Perhaps it can be claimed that this was \$309,000 worth of assets, or potential assets, not “money.” And if it is argued that the keeping of what once were Moore’s KVA shares was worth more than the \$309,000, the argument fails on the fact that the shares were given up in September of 1996.
195. Remarks by Robert S. Folkenberg, p. 99-10.
196. Remarks by Robert S. Folkenberg, p. 99-10.
197. Believe this is in either the *Spectrum* team report or in Brent Geraty’s “Our Firm’s Foundation.”
198. Remarks by Robert S. Folkenberg, p. 99-10.
199. Remarks by Robert S. Folkenberg, p. 99-10.
200. Remarks by Robert S. Folkenberg, p. 99-10.

201. Colleen Moore Tinker, "Folkenberg Business Details Revealed," *Adventist Today* (March-April 1999), p. 22.

202. Nixon's signature and note appear on page 99-16, the final page of General Conference Committee minutes for March 1, 1999. This author is uncertain whether Nixon was saying that Folkenberg had oversimplified the issue or whether Folkenberg was mischaracterizing as complex a matter that was really quite straightforward.