PIR National

Iranian mullahs control Capitol Hill Democrats

by Criton Zoakos

Since Ayatollah Ali Akbar Hashemi Rafsanjani boasted, on Nov. 7, of the existence of dealings between Washington and Teheran, the old Carter administration gang—Zbigniew Brzezinski, Jody Powell, Rosalynn Carter, et al.—has led a chorus of congressional and media "celebrities," in a maniacal criticism of what they purport to be President Reagan's policy of "trading arms for hostages." Lest Billy Carter also join the fray, the following ought to set the record straight:

President Reagan, in his 10-minute national TV address on Nov. 13, did not address the real issues, and proved himself uninformed on what has been going on between the United States and Iran. Of the few things that he knew, he concealed some, such as Israel's role, and disclosed some, such as his presidential directive of 18 months ago.

In fact, that presidential directive had very little to do with setting U.S. policy toward Iran. Then National Security Adviser Robert C. McFarlane placed before Reagan's desk a piece of paper to be signed. McFarlane argued to the President that a policy of "normalization" with Iran was now in the interests of the United States, but concealed from the President: 1) that this policy of "normalization" was the operative policy of numerous government agencies since 1979-80, and, 2) that it was not a new policy, but one designed during the Carter administration.

What Reagan doesn't know: Cyrus Hashemi and the FBI

If Sen. Patrick Moynihan (D-N.Y.) and other congressional Democrats decide to hold hearings into President Reagan's Iran policy, they are going to end up getting more than they bargained for. They will discover that the only way to "Watergate" Reagan on the question of Iran, is to accuse him of following the Democratic Party's official policy toward Iran. In fact, the policy announced by Reagan on TV Nov.

13, can be found, almost word-for-word, in the book *Gameplan*, by Jimmy Carter's NSC chief Zbigniew Brzezinksi. Otherwise, it is the policy carried out by the Carter administration during 1979 and 1980.

The evidence for all this is to be found in the court documents of a little-known case, *Hashemi v. Campaigner Publications*, et al., filed at the U.S. District Court for the Northern District of Georgia as Civil Action No. 80-1555A. The case was litigated from September 1980 to July 1986, when the plaintiff, Cyrus Hashemi, was found dead "under mysterious circumstances in London," according to his lawyer. *EIR* was a party in that case, under the following circumstances:

During 1979 and 1980, we had published information that Cyrus Hashemi, a wealthy Iranian businessman with residence in the U.S.A. and Britain, was Ayatollah Khomeini's chief intelligence agent in the United States, responsible for two tasks, shipping U.S.-made weapons and parts to Iran, and administering and financing the Islamic fundamentalist terror networks in the U.S.A. We charged that Hashemi was operating with complete sanction from Carter's National Security Council. We also reported, with published photographs, that Hashemi's network was coordinating with the NSC through Iranian Navy Captain Siavesh Setoudeh, who had been installed in the headquarters of the U.S. Navy's Office of Naval Research in Washington, D.C. The full story of the ONR's sanction of Captain Setoudeh and his staff of 16 Iranians, was published by EIR on Jan. 8, 1980. That liaison involved, even back then, at the height of the Teheran embassy hostage drama, shipments of U.S. weapons to Khomeini.

Since Iranian Gen. Hossein Fardoust, during July 1980, secretly visited Washington to make arrangements with then Attorney-General Benjamin Civiletti, permitting the opera-

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tion of Iranian terror hit teams inside the U.S.A., EIR made the appropriate public accusations. General Fardoust, having served the Shah of Iran as the chief of intelligence (SAVAK), assisted Khomeini to topple the Shah, and went on to serve as the chief of Khomeini's own intelligence service, the SA-VAMA.

On advice from Civiletti, a former assistant U.S. attorney-general, J. Stanley Pottinger, counseled Dr. Cyrus Hashemi, the businessman supervising the shipment of U.S. weapons to Iran, to sue EIR for libel. The frivolous suit was filed, and litigation continued well into the Reagan administration years. During 1982, EIR's attorneys subpoenaed the National Security Agency, the National Security Council, the CIA, and the FBI to produce documents pertaining to these agencies' relations with Hashemi. When they failed to respond, EIR made Motions to Compel Compliance, which eventually moved the government attorneys to assert "state secrets privilege," in their refusal to produce documents.

During 1983, two full years before President Reagan signed the directive suggested to him by McFarlane, government attorneys argued as follows: "The Federal Bureau of Investigation, through the classified declaration of Oliver B. Revell, Assistant Director of Criminal Investigative Division . . . has asserted the Secrets of State privilege for the FBI documents recovered pursuant to the defendants' subpoena to the FBI as amended. The existence of this privilege, which has never been doubted, see, e.g., United States v. Burr, 25 Fed. Cas. 30 (C.C.D. 1807), protects absolutely from discovery material whose disclosure would adversely affect the foreign relations of the United States or impair national security. . . ."

And further: "Because of the sensitivity of the information at issue, the United States has determined that no substantive statement can be made on the record with respect to the documents or claim of privilege."

Oliver Revell's declaration, which invokes "state secrets," is itself classified "secret." Now, three years later, with Hashemi dead, newspapers report that he was the man shipping U.S. arms to Iran, and that he was protected by U.S. Attorney Rudolph Giuliani of New York. Some of Hashemi's later-indicted fellow gun-runners, are making motions to have their indictments quashed, on grounds that "Reagan had ordered the arms shipments to Iran."

All this is nonsense. Arms shipments to Iran were a Carter administration policy, which continued after President Reagan came into office, and, provably, without Reagan's knowledge. The proceedings of the Hashemi v. Campaigner Publications, et al. case prove this very point. Reagan's critics can remove the "Secret of State" argument and let us look at the documents. If this is done, we shall then have established the precedent to look into the evidence that would have actually condemned Aaron Burr as a traitor, in the 1807 case of the United States v. Burr, cited by Oliver Revell's lawyers.

Conference Report

U.S. Church accepts papal authority

by Kathleen Klenetsky

The battle between the Vatican and the "American heresy" faction of the U.S. Catholic Church was resolved in favor of the Holy See—at least temporarily—during the annual meeting of the National Conference of Catholic Bishops/U.S. Catholic Conference in Washington, D.C. Nov. 10-14.

The 290-plus bishops endorsed the Vatican's handling of the case of Seattle Archbishop Raymond Hunthausen—although not as enthusiastically as Pope John Paul II's supporters would have liked-and elected two middle-of-theroaders to the top leadership positions.

Although overshadowed by the issue of dissent, the bishops took action in several other critical areas, including endorsing, by an overwhelming 225-9 vote, the final draft of their pastoral on the economy. A blatant "limits to growth" document, the pastoral was saved from being a complete disaster only by the personal intervention of the Pope, who last spring instructed the drafting committee to meet with Ibero-American bishops, a meeting that led to the inclusion of a section on the international economy which criticized International Monetary Fund austerity, and called for debt rescheduling and outright cancellation for some Third World countries.

While the Vatican refused any public comment on the meeting, the Nov. 13 New York Times quoted one unidentified senior Vatican official saying it "might be a turning point in the difficult relations between the Holy See and important elements" of the Church in the United States. "Even though the divisions will not go away overnight," he explained, "the bishops are now focusing on their relationship with Rome and perhaps realizing that disagreements can only go so far."

The dissenters, on the other hand, were sorely disappointed with the meeting's outcome. As Thomas Gumbleton, the auxiliary bishop of Detroit and one of the most public figures in the "American heresy" gang, complained: "Bishops are going to be looking over their shoulders now, and that's not a healthy way to walk."

John Paul II ensured that the issue of centralized, papal authority—the idea of absolute truth—dominated the con-