

18, and gave the following statement.

EIR: Your case has attracted a great deal of international attention. Would you like to make a statement on the issue of the death penalty?

Coleman: The reason my case has garnered not only national attention, but international attention, from the European Community in particular, I believe, is that they are more socially mature than we are. That's why they have done away with the death penalty, and that's why my case has outraged them so much. They see the possibility that an innocent man may die, and they are outraged by that.

In America, I think we are very socially immature, and that's why we still have the death penalty. It is a sign of our immaturity that we still keep this barbaric practice, along with Iran, Libya, China, and other such less-civilized countries.

It has nothing to do with justice. It has nothing to do with deterrence. It's revenge, and when you have the possibility of murdering someone who may be innocent, that does not justify keeping around the ultimate punishment, because our justice system is not perfect. Until it is perfect, and until we can prove that it is a deterrent, I could never support the death penalty, nor do I think any right-thinking person could.

Our Founding Fathers founded a judicial system based on justice. Our system today is more geared toward petty, procedural technicalities. There were a number of technicalities in my case that are barring my new evidence from being heard by courts.

I think the Founding Fathers are spinning in their graves right now. When they drew up the Constitution 200 years ago, I do not think this is what they had in mind: not these petty, procedural technicalities that could cause someone who is innocent to lose his life. Those are just not the principles on which this country was built.

EIR: Should the Democratic Party change its platform to renounce the death penalty?

Coleman: I think that it should be done, but, because of politics, I doubt if it ever will be. It's all a political game, in my opinion, in which the minorities, the poor, and the innocent suffer.

EIR: What are you asking people to do?

Coleman: We are specifically asking people with information to come forward, because we have been getting calls today from people with information, from people who thought, "Well, I don't need to come forward with what I have, because he's got a great case and he's going to win." Now, with the governor issuing his decision, people are seeing that they were mistaken, and that the information they possess may be critical. Some have come forward, and we are in the process of investigating a few new leads. I hope that Governor Wilder has not completely closed the door to hearing anything new.

Reed case exposes into Oliver North's

by Jeffrey Steinberg

Question: What do Gov. Bill Clinton, *Time* magazine correspondent Richard Behar, ex-CIA agent-turned-"investigative reporter" Frank Snapp, Felix Rodriguez, and Oliver North all have in common?

Answer: They have all gone way out on a limb, in some cases knowingly telling baldfaced lies, to discredit a former Air Force sergeant named Terry Reed.

If the media-led smearing of Reed succeeds, the two biggest beneficiaries will be Arkansas governor and Democratic Party presidential front-runner Bill Clinton and President George Bush. Both men are deeply implicated in some of the most overtly criminal aspects of the so-called Iran-Contra scandal, including a host of illegal secret operations run out of western Arkansas near the towns of Mena and Nella. Their mutual complicity in illegal drug- and gun-running ought to be a major issue in this year's presidential election—and Terry Reed could provide the American voters with an earful.

John Cummings, an author and newsman who first began probing the Reed-Mena story several years ago, refers to Clinton and Bush as two "Manchurian candidates." In his view, Arkansas was the logical spot to stage U.S. government secret operations. "Arkansas is 'America's banana republic,'" he said in a recent discussion. "It's a state with less than 3 million people, run top-down with a tight grip by Governor Clinton and his entourage. In the Mena area of western Arkansas where the Contra training program was being run, there aren't even any major highways!"

Governor Clinton is painfully aware of his exposure in the Terry Reed scandal. Confronted at a campaign appearance in Pittsburgh, Pennsylvania in April by a reporter probing Reed's allegations about illegal Contra operations in Mena, and the role of Clinton's chief of security in its coverup, Clinton flew off the handle, shouting, "That's bull! That fantasy was discredited by *Time* magazine!"

Indeed, *Time* magazine's Richard Behar did publish a scathing attack against Terry Reed in the magazine's April 20 issue. Frank Snapp published an only slightly less nasty snipe at Reed in the April 14 *Village Voice*. Behar's article was long on venom and short on facts, despite the author's

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lengthy interviews with Reed and two of his attorneys, and his full access to documents and tapes relating to the Reed saga. Reed, commenting on his encounter with Behar, recently told a friend: "He ignored \$38 [in photocopying costs] worth of documents."

Nobody knows better how gratuitous and factually off the mark the Behar story was, than does Bill Clinton.

Disgusted by Contra drug trafficking

Terry Reed is a decorated Air Force veteran, trained in intelligence, who was recruited by Oliver North to work on the secret Nicaraguan Contra training and supply effort in Mena and Nella, Arkansas and later in Guadalajara, Mexico. Reed's immediate supervisor in Mena and Nella was the late Barry Seal, a commercial pilot-turned-dope smuggler who, according to John Cummings, began working as a contract agent for the CIA in the early 1970s. In Mexico, according to court documents, Reed worked under the direction of Felix Rodriguez, a career CIA agent whose Iran-Contra activities were closely coordinated with Donald Gregg, then-Vice President George Bush's chief national security aide.

When, in June and July 1987, Reed discovered that part of that Contra secret aid program in Guadalajara involved the smuggling of narcotics into the United States, he tried to walk away from the whole sordid affair and reveal to authorities what he had seen.

Reed's story not only implicated North and Rodriguez in the illegal dope business; he also was aware of a still virtually unknown North-run grand larceny scheme variously called the "Donor Program" and "Project Donation," which involved the theft of airplanes and the filing of millions of dollars in phony insurance claims—all on behalf of the Contras.

Unlike most of the people hired on to the Contra program, Reed was no mercenary and had no skeletons in his closet. For precisely that reason, Reed's Contra "handlers" made a point of setting him up so that he could be discredited if he should ever break from the "program."

After a distinguished career in the Air Force, including

two tours of duty in Southeast Asia at the height of the Vietnam War, Reed went into the machine tool business and set up a number of successful manufacturing and sales ventures. He also acquired a pilot's license and a license as a flying instructor. In the early 1980s, Reed helped the FBI probe illegal overseas sales of sophisticated American computer technologies.

It was through that "voluntary" work with the FBI in Oklahoma that Reed was originally contacted by Oliver North, who used the pseudonym John Cathey and flashed around Central Intelligence Agency identification. (North later denied that he ever met Reed or ever used that pseudonym. However, he was at a loss to explain the extraordinary coincidence that one of his roommates at the Naval Academy had the unusual last name "Cathey.")

Reed worked for North and company from 1982-87. As an ex-military intelligence man, he appreciated the importance of not asking too many questions. In return for that discretion, Reed became privy to a great deal of information about the secret Contra supply operation, including the involvement of Israeli agent Amiram Nir (to whom he was introduced, under the pseudonym "Pat Weber," by Rodriguez in December 1986) in the extensive activities operating out of Mexico.

When Reed decided to sever his ties to the Contra team, he had to be discredited—and fast.

Enter Buddy Young and Tommy Baker

At the time of Reed's break with Rodriguez, North, and company, Buddy Young was the chief of security for Arkansas Gov. Bill Clinton. Baker was a former Arkansas state policeman whose private detective firm was widely rumored to be a front for the Arkansas State Police, according to testimony presented in federal court in Kansas.

As Reed and his wife Janis were preparing to return from Guadalajara to Little Rock in early October 1987, Young and Baker were busy working to frame up the couple on insurance and mail fraud charges. The duo of Arkansas police conducted illegal breakins, committed perjury in both state and federal courts, and planted evidence in order to obtain the Reeds' indictment, according to a federal civil suit filed against Young and Baker by the Reeds in Little Rock last July. The frameup of Terry and Janis Reed was made possible by the Donor Program.

While many questions remain to be answered about how Governor Clinton's security chief Young and his friend Baker came to play such a pivotal role in the effort to frame Terry Reed so soon after Reed's stormy break with Felix Rodriguez, court documents in two federal cases paint a detailed picture of how they went about it.

On June 21, June 22, and Oct. 6, 1989, Buddy Young and Tommy Baker testified under oath at a series of suppression of evidence hearings before Judge Frank G. Theis in U.S. District Court in Wichita, Kansas. The case, *United*

States of America v. Terry Kent Reed and Janis Reed (88-10049-01), charged the couple with defrauding their insurance company out of \$33,000 by falsely claiming that their 1978 Piper Arrow PA 28, tail number N2982M, serial number 28R7803158, had been stolen at Joplin, Missouri Municipal Airport in March 1983.

The indictment was based on the fact that in early October 1987, as the Reeds were returning to the United States from Guadalajara, Tommy Baker “discovered” that Reed’s missing Piper Arrow was sitting in a hangar at North Little Rock Airport. The hangar was subleased by a company owned by Terry Reed. Baker claimed he was walking by the hangar when suddenly the wind blew the door open and he spotted a plane. “I’m one heck of a detective,” he boasted to the court in the course of explaining how he deduced that there was something illegal going on in the Reed-subleased hangar.

Baker claimed he called Young at the Governor’s Mansion immediately after he discovered the “suspicious” plane inside the hangar on Oct. 8, 1987 and asked him to check the plane’s N number with the federal authorities to determine whether the plane was stolen property. He ran a parallel check via another Arkansas State Police officer, who searched the Federal Aviation Administration’s computer list of stolen or missing aircraft. According to Baker and Young’s original story, the initial N number check did not register as a stolen plane with either the FBI or FAA.

Baker claimed that he went back a second time to the hangar the following day and searched the plane for other records that might reveal something more about the mystery plane. On this second illegal entry into the hangar, Baker claimed he discovered a pouch of documents indicating a different N number and a different serial number for the plane. When the second numbers were run through the federal computers, they revealed that the plane was Terry Reed’s “stolen” Piper Arrow.

According to the Young and Baker testimonies in June 1989 at the first suppression hearing, the “discovery” of the stolen plane was simply the result of good detective work by a civic-minded ex-cop. Baker claimed that he went back a second time to search the plane because the N number painted on the tail of the plane “didn’t look right.”

Then, Young, according to his sworn testimony, contacted the El Paso Intelligence Center (EPIC), a federal anti-narcotics intelligence task force specializing in U.S.-Mexican border trafficking, where he claimed that he received word that Terry Reed was a suspected narcotics trafficker operating out of Guadalajara.

From Young’s June 22, 1989 testimony in Wichita:

“Q: Now, in this document [an FBI report on an interview with Buddy Young in October 1987] on the second page, the second paragraph, could you read that, please?”

“A: Buddy Young advised that he has received information which indicated that Terry Reed may be involved in

Mexican and/or South American drug trafficking and may now be residing in Guadalajara, Mexico. Young stated that a search of the aircraft revealed several maps of Southern North America. . . .

“Q: Captain Young, where did you get that information?”

“A: I got that information from EPIC. . . . I ran an inquiry under the name of Terry Reed. They told me that they had a Terry Reed on file, that he resided in Guadalajara, Mexico, and I don’t know for sure what else was said.”

Young further claimed that he never bothered to write up any reports on the airplane discovery because he was too busy handling Governor Clinton’s security to get involved in the routine theft investigation. In fact, Young finally got around to writing up reports several years later, once the federal prosecution of Reed got under way. By this point, Young had been promoted from lieutenant to captain. Even though he back-dated the reports to create the false impression that they had been written in October 1987, he mistakenly listed his rank as captain.

At the first opportunity, according to Young’s suppression hearing examination, he passed the entire matter on to the FBI.

Nevertheless, Young shepherded the case through to the point of obtaining a search warrant to enter the North Little Rock Airport hangar and seize the Reed plane. That took place on Oct. 14, 1987.

The Baker and Young version of the events, as presented in an oral affidavit by Baker before Pulaski County Circuit Court Judge Harlan Weber on Oct. 14, 1987, and before federal Judge Theis on June 21-22, 1989, presented a straightforward case of good police work paying off.

There was only one problem: None of the facts checked out. On the contrary, when Terry and Janis Reed began accessing government records under discovery, they found that the two were lying through their teeth:

- FBI National Crime Information Center (NCIC) computer records showed that while Buddy Young had requested searches on the two N numbers, the first number to be checked was the original number on Reed’s stolen plane—not the number painted on the tail. The two checks took place just two minutes apart on Oct. 7, 1987—the day *before* Baker claimed that he had “discovered” the open hangar door. Further, an employee at North Little Rock Airport testified at the suppression hearing in Wichita that he had been approached by Baker, who told him that he was going to search the hangar on the basis of a law enforcement “tip” that there was a stolen aircraft hidden inside.

- Young admitted under oath on June 22 that he had placed a pretext call to both Terry and Janis Reed’s mothers to find an exact address for them in Mexico. Young claimed he made this call after Baker had stumbled upon the stolen plane. However, telephone records and affidavits by both women proved that the calls had taken place on Oct. 3 at the

latest—four or five days *before* Baker’s encounter with the wind-swept hangar at North Little Rock Airport.

- In fact, in late September, Reed’s mother received a pretext call from an Arkansas state trooper named “Ogden,” who was ostensibly trying to contact Reed to get him to take out an advertisement in *Trooper* magazine. Reed spoke to “Ogden” by phone from Guadalajara in late September, and was puzzled how the Arkansas cop had ever gotten his name. “Ogden” claimed he had gotten Reed’s company name from the Little Rock yellow pages, but Reed’s firm had been dissolved well over a year prior to the call. Although Buddy Young denied under oath that he had ever heard of any trooper named “Ogden,” the incident demonstrated that interest in Reed had perked up at the Arkansas State Police very shortly after Reed’s falling out with Rodriguez.

- Arkansas State Police records demonstrated unambiguously that the Young-Baker chronology was phony and that the operation against Reed had been launched much earlier than Young and Baker claimed. The state criminal investigation number assigned to the Reed case was issued on Sept. 30, 1987—a full week before the initial encounter with the stolen plane in the Young and Baker version.

- On Sept. 29, 1989, in compliance with an order from Judge Theis, EPIC provided prosecutors and defense attorneys with a printout of their file on Reed and the missing plane. The memo stated:

“Records of the DEA [Drug Enforcement Administration] El Paso Intelligence Center (EPIC) reflect two reports made to EPIC involving aircraft N2982M.

“On May 24, 1983, EPIC was notified that the Joplin, Missouri Police Department reported to the National Crime Information Center (NCIC) that aircraft N2982M was reported stolen on May 23, 1983 from the Joplin, Missouri, airport.

“On Oct. 16, 1987, it was reported to EPIC that the Arkansas State Police, Little Rock, Arkansas, reported aircraft N2982M was recovered on Oct. 16, 1987, from a hangar in Little Rock, Arkansas, where the owner Kent T. Reed (a.k.a. Terry Reed) hid the aircraft to collect the \$33,000 insurance claim.

“EPIC records reflect no other inquiries in connection with Terry Kent Reed and aircraft N2982M.”

In other words, EPIC’s computer files showed no record of the inquiry by Buddy Young that the governor’s security chief claimed he made in his sworn testimony in Wichita on June 22, 1989. If Buddy Young didn’t get the Guadalajara drug allegations about Reed from EPIC, where did he get them from? Perhaps from Felix Rodriguez?

These discrepancies prompted Judge Theis to find in an opinion and order dated Dec. 18, 1989 that Young and Baker’s statements “were made with at least reckless disregard for the truth.” Nevertheless, he refused to summarily dismiss the case. Terry Reed would eventually win a full acquittal nearly a year later (the case against Janis Reed was

already dismissed by Judge Theis) on Nov. 9, 1990.

In a highly unusual development, on June 1, 1990, several months after Judge Theis had ordered the Arkansas State Police to turn over to the defense all records of their investigation into Barry Seal and Mena, prosecuting attorney Robin Fowler invoked the Classified Information Procedures Act (CIPA), expressing concern about a number of sensitive national security matters that might come up in the course of the defense case at trial. Usually, CIPA is a tool employed by defense attorneys seeking to force dismissal of a case rather than reveal government secrets. But in this case, it was the prosecution that expressed worry over the public disclosure of secret information.

Fowler’s remarks on June 1 included the following: “I’m concerned with the potential testimony of Wayne Barlow, an FBI agent working out of Oklahoma City. He has in fact told me that some of his prior contacts with Mr. Reed involved classified information. The second area of concern is information accepted from the FAA Intelligence Division. A third area of concern involves information accepted from the DEA, the EPIC organization. The fourth, information potentially that would be brought out on direct or cross [examination]—particularly that of Oliver North, Jack Blum [a Senate investigator on the staff of the Foreign Relations Committee who probed Contra drug trafficking] and Robert Johnson [an executive for Southern Air Transport, one of the key proprietary companies used to funnel arms to the Contras]. Particularly, there is concern for information that the director of the CIA has been ordered to produce in regard to certain files and information from the national security archive; and finally there’s the possible testimony of the defendant which may or may not implicate classified information.”

Ultimately, the prosecution agreed to a stipulation of facts that were insufficient to convict Terry Reed of the charges. In a brief non-jury trial before Judge Theis, Reed was acquitted. In a closing comment, Judge Theis expressed his “regret” that the case didn’t go to trial “because I think it would have been an interesting trial for the court to sit on . . . far beyond the confines of just a simple insurance fraud case.”

Perhaps not coincidentally, Felix Rodriguez had been served with a subpoena to appear as a defense witness on Oct. 16, 1990—less than a month before the government threw in the towel.

The ‘Donor Program’

Although Judge Theis was absolutely right in lamenting the fact that the full Terry Reed story would not come out in his courtroom, significant elements of the story do emerge from public documents in the court file. From these records, it is possible to piece together a profile of the so-called “Donor Program” and how it figured in the frameup of Terry Reed.

On Feb. 10, 1989, defense attorney Marilyn Trubey filed a motion for discovery, demanding "all documents relating to Oliver North's involvement with the Donor Program," among other key evidence.

In support of that motion, Trubey provided a chronology of Terry Reed's encounters with that program:

"In February 1982, Terry Reed first met the person whom he later learned was Oliver North. In March 1983, North described to Terry Reed the Donor Program, in which the United States government was soliciting donations from private individuals to fund the Nicaraguan Contras. North asked Terry Reed to consider donating his plane to this program. Mr. Reed did not agree to do so.

"On March 24, 1983, Terry Reed learned that his airplane was missing from Mizzou Aviation at Joplin, Missouri, where the plane was being repaired. The theft of the plane was reported to law enforcement officials and to Mr. Reed's insurance company. After Terry Reed had received reimbursement from the insurance company for the theft of his plane, he received a telephone call from Oliver North, in which North hinted that the plane had been taken for the Donor Program.

"The plane was later returned to Terry Reed by William Cooper [an old acquaintance from their days in Thailand] and William Sawyer. Cooper informed Mr. Reed that he was working for Southern Air Transport in connection with the Donor Program. Cooper told Mr. Reed that Reed would have to store the plane for a couple of months. The return of the plane was followed by a telephone call from Oliver North, who also told Mr. Reed to store the airplane for a short period of time."

At Reed's insistence, William Cooper did take back the plane in July 1986, which was the last time that Terry Reed saw the aircraft. (Cooper died soon after that, in the Oct. 6, 1986 plane crash in Nicaragua that resulted in the capture of crew member Eugene Hasenfus and the unraveling of the entire Iran-Contra fiasco.)

Reed was an involuntary participant, a victim, in fact of the Donor Program. The theft of his plane from Joplin airport at the outset of his dealings with North and the Contra "Enterprise" conspirators was an insurance policy of sorts to create the option to set him up should he ever get out of line or talk about what he had seen. Reed's defense attorney alluded to this in a court hearing before Judge Theis in 1988, when she described what happened after Reed discovered the drug trafficking in Guadalajara: "At this point, Mr. Reed . . . tells Rodriguez that he will not be involved in this and that he is going to return to the United States and find out what is going on." The next thing Terry Reed knew, he and his wife were indicted.

The full extent of the theft and insurance fraud operation apparently run by Oliver North under the guise of the Donor Program is not known. Nor is it known how many would-be Contra backers voluntarily participated in the grand larceny

and insurance fraud scheme, or how many, like Terry Reed, fell victim to their own patriotic impulses.

However, Terry Reed did keep meticulous records of the Contra training program that he and Barry Seal ran in the Mena-Nella, Arkansas area between 1984 and 1985. Reed recorded the N numbers and serial numbers from seven different planes that Seal gave him to use in the training. Reed was training Contra pilots and ground crews in nighttime supply drops, using terrain that was very similar to that in the areas in and around Nicaragua where the Contras were operating.

A dogged investigation by Jerry Bohnen, a radio reporter with KTOK-AM in Oklahoma City, revealed that each of the seven aircraft used by Reed in Mena and Nella had been affixed with the N numbers of existing, legitimately owned and registered airplanes. The N numbers selected were from matching airplanes (i.e., the same manufacturer, year, and model). However, all seven of the planes used at Mena, according to the actual original serial numbers, were stolen at the time Reed used them. In all but one of the cases, the owners collected full insurance claims on the missing planes. The Donor Program, in other words, was a very sophisticated operation that required access to government computers, the Federal Aviation Administration's files, etc. According to an unconfirmed report, a loophole in federal tax codes even allowed insurance companies to write off their share of the losses.

Governor Clinton revisited

As the result of the short-circuiting of the Wichita trial, and the lack of interest on the part of any state or federal agencies, no hard answers have yet been gotten to some puzzling questions.

What was the link, if any, between Buddy Young and Felix Rodriguez, Oliver North, and the other alleged players in Project Donation? And to what extent was Buddy Young operating on behalf of his boss, Bill Clinton, in seeking to frame up and silence Terry Reed?

Terry Reed will get his day in court—despite the best efforts of Bill Clinton, *Time* magazine, and the local Arkansas newspapers, the *Arkansas Democrat-Gazette*, to preempt him. The federal civil suit that he and his wife filed against Buddy Young and Tommy Baker (LR-C-91-414) is tentatively scheduled to go to trial in September. Sources close to the case say that Terry Reed still has many cards up his sleeve, and that they will show Bill Clinton and his closest friends and associates to have been pivotal players in the whole sordid operation.

The problem is that by September, Contra cowboy Bill Clinton could be the Democratic presidential candidate running against Contra commander George Bush and Contra cash cow Ross Perot. If that is the case, then the American people will be the biggest losers. The time is now to force Clinton to come clean on his role in the Terry Reed affair.