

## Congress's coverup of the Iran-Contra affair

by Criton Zoakos

The congressional report on the Iran-Contra affair, issued to the public Nov. 17, is one of the most shameless lies ever perpetrated in the name of the government of the United States. While piously purporting to expose an administration coverup, the report itself is the greatest coverup ever contained in a volume of 690 quarto pages.

*EIR*, back in April of this year, warned that such a coverup could be attempted by the committees holding the Iran-Contra hearings. During that time, in a special report titled "Project Democracy, the 'parallel government' behind the Iran-Contra affair," we identified the areas of investigation into the matter that would have to be examined if a coverup were to be averted. These areas included: 1) a covert, bipartisan program titled Project Democracy, with a semi-overt, congressionally financed arm, the National Endowment of Democracy; 2) the Cyrus Hashemi affair; 3) the secret U.S. government program of shipping weapons to Iran, dating, continuously, from 1979, under the Carter administration; 4) the illegal, "parallel government" apparatus, of which Project Democracy was but a component, which was being deceptively protected by Executive Orders 12333 and 12334; 5) elements of the official intelligence community, unofficially and illegally intermeshed with this illegal "parallel government," including active and retired officials associated with the official entourage of Vice President George Bush, with Israeli intelligence services, and with murky Soviet-American "back channels," inclusively.

Not one of these areas was addressed by either the majority or the minority reports that the congressional committees published. These reports are replete with pious assertions of the primacy of the rule of law, admonitions to the Executive branch, such as the now famous statement ". . . the ultimate

responsibility for the events in the Iran-Contra Affair must rest with the President. If the President did not know what his National Security Advisers were doing, he should have. It is his responsibility to communicate unambiguously to his subordinates that they must keep him advised of important actions they take for the Administration. The Constitution requires the President to 'take care that the laws be faithfully executed.' This charge encompasses a responsibility to leave the members of his Administration in no doubt that the rule of law governs."

Quite a hypocritical statement, as it comes from the same combination of forces in Congress which, if President Reagan or any other President were to "take care that the laws be faithfully executed" in this matter, i.e., if he were to dig into the true story of the arming of Ayatollah Khomeini's Iran, or investigate how Project Democracy, a self-appointed parallel government, had subverted rule by law and had supplanted elected government, then they would have been tearing their robes and beating their breasts protesting the "imperial presidency." The only thing that the Executive branch of government and President Reagan are guilty of, is that they are covering up exactly those areas of events which are being covered up by the sanctimonious congressional report issued under the signatures of Sen. Daniel Inouye and Rep. Lee Hamilton.

### The real history of Irangate

The reader will appreciate the extent of the cynical coverup of the congressional report, with but a few examples. *EIR*, in the spring of this year, congressional committees copies of various government documents, showing that U.S. illegal arms sales to Iran were

going on, without interruption, since 1979, while Jimmy Carter was President. These included a document by Carter administration official Harold Saunders, dated Jan. 2, 1980, which had included the following formulation:

"The U.S. is prepared to open confidential discussions with Ayatollah Khomeini, his personal representative, or officials of the Government of Iran on the basis that both sides seek an early resolution of the current problems between the U.S. and Iran. These discussions could take place on the basis of the following considerations. . . . The United States is prepared to appoint a representative to discuss with Iranian representatives the current threat posed by the Soviet invasion of Afghanistan and to recommend to their governments steps that the U.S. and Iran might take in order to enhance the security of Iran, including the resumption of the supply of military spare parts by the United States to Iran."

*EIR* also made available parts of the record of a legal case against the mysterious Iranian arms dealer Cyrus Hashemi, which showed that Hashemi, who died mysteriously in London during the congressional investigations, had been regularly shipping American weapons to Iran from the United States, on behalf of the U.S. government and under the protection of the FBI, and especially of the FBI's Oliver "Buck" Revell, Oliver North's and Elliott Abrams' colleague in the famed Restricted Interagency Group; and that Hashemi, among others, was continuing this illegal gun-running from the Carter administration through the Reagan administration, without interruption.

The congressional committees decided to ignore this evidence. Their report piously pretends that arms shipments to Iran only began in August 1985, as a result of a decision taken by President Reagan. Contrary to documentary, court evidence in the hands of the congressional committees, their report states, ". . . the United States on November 14, 1979 embargoed all arms shipments to Iran as part of a general embargo on trade and financial transactions . . . the Reagan Administration's Senior Interdepartmental Group (SIG) convened on July 21, 1981, to discuss U.S. policy toward Iran. SIG members concluded 'that U.S. efforts to discourage third country transfers of non-U.S. origin arms would have only a marginal effect on the conduct and outcome of the war, but could increase opportunities for the Soviets to take advantage of Iran's security concerns and to persuade Iran to accept Soviet military assistance.' While no agency representative argued in favor of U.S. action to encourage an increase in arms supply to Iran, some expressed concern that a rigid U.S. policy against all arms transfers to Iran would not serve overall U.S. interests."

This passage of the congressional report is the centerpiece of a contrived legalistic excuse for refusing to investigate the Hashemi case and all that depends on it. On the basis of this excuse, Congress refused to look into the Hashemi affair, very much for the same reason that President Reagan refused to look into the "fund diversion" affair, as the Committees

justly accuse him, because, the Hashemi affair was something that the congressional committees wished, deliberately, to remain uninformed about. Because if they looked into the Hashemi affair, they would have to admit that full-scale arms shipments to Iran were going on a long time before Oliver North had been invented for the convenience of the Project Democracy crowd--that these had been going on, full blast, during the Carter administration, and, without missing a beat, continued through the transition and into the Reagan administration, and that the FBI-Hashemi network and their Israeli intelligence friends were the linchpins of the trade. When, much later, Robert McFarlane, John Poindexter, and Oliver North appeared on the scene, they were simply entrapped and seduced by this pre-existing and fully functioning Iran gun-running network. One wonders if these, real, gun-runners would not have to invent an Ollie North, if the real North had not come forward unwittingly, with his boyish braggadoccio, to help them conceal themselves even further from public scrutiny. And then the congressional report came along to further conceal the real story of U.S. arms supplies to Iran.

### **The coverup artists**

In our April 1987 special report, we warned that Congress might attempt a coverup:

"Is there a reason to fear that Inouye and Hamilton's committees might attempt to destroy Walsh's investigation, or otherwise cover up for the implications of the scandals? A resounding, yes.

"After forming their special committees, Inouye and Hamilton began hiring. To date, their appointed staff includes: Arthur Liman, formerly a close associate of one of the principal targets of the investigation, Willard Zucker, in the criminal enterprise of Robert Vesco, Investors Overseas Services; Joel Lisker, a close friend and long-time co-worker of Michael Ledeen. Liman and Lisker are counsel and associate counsel to Inouye's special committee, respectively. Other appointees include Sven Holmes, recently hired to direct the staff of Senator Boren, who in addition to directing the Senate Select Committee, is on Inouye's committee. Holmes just left the law firm of Edward Bennet Williams, who is also an associate of Zucker and Liman from the days of IOS. Holmes is also a long-time friend of William Weld [head of the Criminal Division of the Justice Department--ed.], as is Edward Bennet Williams. Another former partner of Holmes and Williams is Brendon Sullivan, who just happens to be Lt. Col. Oliver North's counsel."

The significance of this early-warning passage is that it identified a large part of the legal, professional circles which, being involved in all the various factional aspects of Irangate, were to steer that affair in the direction of a full-blown "war of all against all" inside the U.S. intelligence community, which is now reflected in efforts, within Congress, to change the basic law governing the CIA, "in the aftermath of Irangate," as the proponents of the new legislation argue.