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## 'October Surprise'

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# Congressional report ducks the key issues

by Edward Spannaus

The final report of the U.S. House of Representatives Task Force on the "October Surprise" was issued on Jan. 13. The report is billed as the most thorough examination to date of the allegations that the Reagan-Bush campaign conspired in 1980 to delay the release of the American hostages being held in Iran; but the report's thoroughness has but a single purpose: to attempt to discredit and debunk the "October Surprise" thesis as that thesis has been presented in the popular media.

The House Task Force took the most widely reported allegations about the "October Surprise"—such as meetings that were reported to have taken place in Paris and Madrid in the summer of 1980 in order to put together a deal between the Republicans and Iran—and proceeds systematically to debunk these allegations in excruciating detail.

However, what the House report fails to do is to lay a glove on the thesis presented by *EIR* in the *EIR Special Report* entitled "Treason in Washington," published about one year ago.

*EIR* suggested, as a result of an analysis of newly released FBI documents pertaining to Iranian arms dealer Cyrus Hashemi, that the key role played by Hashemi and his lawyer/business partner Stanley Pottinger before the 1980 elections, was that involving the financial assets of Iran, not arms shipments. Hashemi and Pottinger appear to have manipulated the assets issue so as to undercut the negotiating position of the Carter administration.

The most important unexplored evidence, *EIR* contended, would lie in the extraordinary efforts made after the Reagan-Bush administration took office, to obstruct justice and prevent the subsequent prosecutions of Hashemi and Pottinger for their illegal arms shipments to Iran.

Both of these issues are treated completely superficially in the House report, as compared to the exhaustive detail with which evidence concerning the alleged Paris and Madrid meetings was handled. Moreover, critical pieces of evidence are ignored, or misrepresented, as part of the House Task Force's coverup.

Despite its length and alleged thoroughness, the House report actually represents a shabbier job than the report issued by the Senate Foreign Relations Committee in November—

even though the House Task Force had a budget of \$1.35 million, as compared to the \$70,000 spent by the Senate group.

### 'Cloud of disinformation'

*EIR* has warned for some time of the "cloud of disinformation and false leads" which has been confusing the issue, and said that far too much attention was being devoted to "the secondary issue of whether Bush was personally in Paris in October 1980." In our Oct. 25, 1991 issue, we stated that "the entire Bush-in-Paris matter may turn out to be a straw man designed to discredit the 'October Surprise' allegations."

Unfortunately, this is exactly what has happened. Predictably, many of the witnesses on whom the close-knit "club" of investigative journalists previously relied, have now changed their stories when questioned under oath, and have recanted their previous statements.

### EIR's role

The House report went to extraordinary lengths to ignore *EIR*'s ground-breaking role in developing the "October Surprise" story. Unlike those attacks on the "October Surprise" published in 1991 in *Newsweek* and other publications, which noted that the first published accounts of a secret deal had been published in *EIR* and associated publications, the House report reflected an obvious agreement within the task force to rewrite history and minimize any references to *EIR* in the report.

By so doing, the House Task Force sidestepped some very crucial issues which would have forced them to qualify, if not abandon altogether, some of their key conclusions.

In the only instance where one of *EIR*'s allegations is directly referenced, the task force flatly lies about an FBI memorandum which is cited, but remains "classified," according to the task force.

The most glaring omission in the House report pertains to Hashemi's partner Stanley Pottinger. (Pottinger was a former Republican Justice Department official, and a good friend of George Bush.) Astoundingly, while Pottinger's involvement in the hostage negotiations is treated at some length, the House Task Force never once mentions the fact that Pottinger was under FBI investigation for illegal arms shipments to Iran, and was almost indicted in 1984. Even the much shorter Senate report refers to the investigation of Pottinger and the fact that the FBI had lost what it called the "Pottinger tapes."

The House report clearly reflects a bipartisan consensus to exonerate the Reagan-Bush team of the charges of treasonous activity during the 1980 election campaign. Moreover, the final version of the report appears to fit into the parameters of the broad bipartisan agreement which various sources report was reached in December among major groupings of the U.S. establishment, to put all the scandals of the 1980s behind them.